



COMPANIES ACT 1931

COMPANIES (EXEMPT AND NON-RESIDENT PRIVATE COMPANIES) (AUDIT EXEMPTION) (AMENDMENT) REGULATIONS 2006

Approved by Tynwald

17 May

2006

Coming into operation in accordance with Regulation 1

In exercise of the powers conferred on the Treasury by section 324B of the Companies Act 1931^(a), and of all other enabling powers, the following Regulations are hereby made:-

Citation and commencement

1. These Regulations may be cited as the Companies (Exempt and Non-resident Private Companies) (Audit Exemption) (Amendment) Regulations 2006 and shall come into operation on the day on which they are approved by Tynwald.

Amendment of S.D.293/93

2. (1) In the Companies (Exempt and Non-resident Private Companies) (Audit Exemption) Regulations 1993^(b)-

(a) In Regulation 2, after the definition of "non-resident company" add the following new definition-

““turnover” means the amounts derived from the provision of goods and services falling within the company's ordinary activities, after deduction of—

- (i) trade discounts,
- (ii) value added tax, and
- (iii) any other taxes based on the amounts so derived.”

(b) In Regulation 2(2), for paragraph (a) substitute:-

“(a) at least two of the following conditions are met:-

(a) Vol. XIII p.235, s.324B inserted by Schedule 4 to the Companies Act 1992

(b) S.D 293/93, as amended by S.D 283/94 and S.D 852/05

- (i) its turnover in that year does not exceed of £5.6 million;
- (ii) its balance sheet total does not exceed £2.8 million at any time during that year;
- (iii) it employs no more than 50 persons at any time during that year; or”.

Made this 12th day of April 2006


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Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Companies (Exempt and Non-resident Private Companies) (Audit Exemption) Regulations 1993 (as previously amended). These Regulations modify the definition of “audit exempt company” and extend the range of private companies whose accounts need not be audited.