

Companies Act 2014

Overview

The Companies Act 2014 was enacted on the 23 December 2014 and its commencement is planned for 1 June 2015. The Act consolidates the existing Irish Companies Acts and many of the related statutory instruments into a single statute while simultaneously introducing significant reforms to Irish company law. With 1448 sections and 17 schedules, the Companies Act is the largest piece of legislation to ever be enacted in the history of the State. Unlike the UK Companies Act 2006, which consolidated UK company law, the Irish Act goes one step further and consolidates Irish law relating to corporate insolvency.

Summary of developments

- The Act will come into effect on 1 June 2015. The draft Commencement Order is expected to be made by the Minister in April 2015.
- Accounts-related requirements such as the reintroduction of the Directors' Compliance Statement and the new requirement for a statutory Audit Committee are expected to apply with respect to financial years commencing on or after 1 June 2015.

*Dublin, London
& New York*



This means by way of example:

- If your financial year commences on 1 July 2015 and your company is within the scope of the relevant provisions, you must have an Audit Committee in place by that date.
- If (as will be the case with a majority of companies) your financial year commences on 1 January and your company is within the scope of the relevant provisions, you must (i) have compliance systems in place from 1 January 2016 and (ii) add a Directors' Compliance Statement in your accounts for the financial year ending 31 December 2016.
- It has not yet been decided whether there will be a continuance of the suspension of the repeal of Part V of the Companies Act 1990 (insider dealing on MTFs) and the Companies (Amendment) Act 1999 (stabilisation rules on MTFs) or instead an application of the regulated markets' market abuse regime to those unregulated markets.
- The Companies (Accounting) Bill will be published in April 2015. This Bill will have the stated purpose of transposing Directive 2013/34/EU. This Directive consolidates and restates existing EU accounting law with some amendments. It is anticipated that this will be enacted by 20 July 2015, the prescribed date for transposition of the Directive.

The most significant change expected in this Bill will be the removal of the exemption from public disclosure of the accounting information of unlimited companies whose ultimate shareholders are limited companies.

- The new Companies (Forms) Order will be made in April 2015.
- There is no news yet as to whether there will be new Rules of the Superior Courts in time for the planned date of commencement of the order.

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'an excellent firm with significant depth of knowledge.'

Legal 500, 2014

Corporate

'It is an important business partner. It recognises issues before we do and is proactive in bringing them to our attention.'

Chambers & Partners Europe, 2013

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