



COMPANY SECRETARIAL AND CORPORATE GOVERNANCE

Irish Limited Partnerships: Annual Return and Financial Reporting Obligations

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Partners in “qualifying partnerships” are reminded of the filing obligations in relation to annual returns and financial statements which have applied since 1 January 2020.

The European Union (Qualifying Partnerships: Accounting and Auditing) Regulations 2019 (the 2019 Regulations) extended the filing requirements for both general partnerships and limited partnerships.

The obligations to file annual returns and financial statements with the Companies Registration Office (CRO) are now similar to the obligations for companies formed under the Companies Act 2014.

Filing Requirements Before January 2020

The European Communities (Accounts) Regulations 1993 (as amended) had set out the scope of partnerships that were subject to requirements for the preparation, audit and filing of financial statements prior to 1 January 2020.

Generally, the obligation to prepare, audit and file financial statements fell only on general partnerships and limited partnerships, all of whose partners, or in the case of limited partnerships, all of whose general partners, were limited liability entities registered in an EU member state. In other words, a limited partnership whose general partners were resident outside the EU was not required to file their financial statements with the CRO.

Under the 2019 Regulations, qualifying partnerships are subject to the provisions of Part 6 of Companies Act 2014 (as modified by the 2019 Regulations in relation to qualifying partnerships).

2019 Regulations – Qualifying Partnerships Defined

From 1 January 2020, qualifying partnerships must file annual returns and financial statements with the CRO in a similar manner to Irish limited companies.

A ‘qualifying partnership’ is defined as a partnership where all the partners (in the case of a partnership) or all the general partners (in the case of a limited partnership) are:

1. limited companies;
2. ‘designated ULCs’ (i.e. private unlimited companies incorporated under the Companies Act 2014);
3. partnerships other than limited partnerships, all of the members of which are limited companies or ‘designated ULCs’;
4. limited partnerships, all of the general partners of which are limited companies or ‘designated ULCs’;
or
5. partnerships, including limited partnerships, the direct or indirect members of which include any combination of undertakings referred to in (a) to (d), such that the ultimate beneficial owners of the

partnership enjoy the protection of limited liability.

It is important to note that reference to limited companies, designated ULCs, partnerships and limited partnerships includes any comparable undertaking governed by the law of another country or territory and thus the criteria for such undertakings to be in an EU member state has been removed.

Application of Part 6 of the Companies Act 2014

Under the 2019 Regulations, Part 6 of the Companies Act 2014 (Financial Statements, Annual return and Audit) shall apply to a qualifying partnership as if it were a company formed under the Companies Act 2014, subject to modifications necessary to take account of the fact that a qualifying partnership is unincorporated. Certain provisions of Part 6 have either been modified or disapplied in terms of their application to qualifying partnerships.

For example, reference to directors, secretary or officers should be construed as the partners of a general partnership, or in the case of limited partnership, its general partners. Reference to a Directors' Report is to be read as a Partners' Report, and the obligation on companies to keep accounting records is disapplied for qualifying partnerships.

Additional modifications and disapplication are set out in the 2019 Regulations.

Qualifying Partnerships – Filing Requirements

A qualifying partnership must deliver to the CRO each year:

1. An annual return in the prescribed form; and
2. Copies of the following documents annexed to the annual return:
 - the statutory financial statements of the qualifying partnership;
 - the Partners' Report, including any Group Partners' Report; and
 - the Auditor's Report, if applicable.

Application and Relevance

The 2019 Regulations brought a significant number of Irish partnerships and limited partnerships into scope for filing an annual return with financial statements for accounting periods commencing on or after 1 January 2020.

If you require assistance or advice in relation to any of the above matters, please contact our experienced Company Secretarial and Corporate Governance team.

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