



# Companies Act 2006

## 2006 CHAPTER 46

### PART 16

#### AUDIT

### CHAPTER 1

#### REQUIREMENT FOR AUDITED ACCOUNTS

#### *[<sup>F1</sup>Exemption from audit: qualifying subsidiaries*

#### <sup>F1</sup> 479C **Subsidiary companies audit exemption: parent undertaking declaration of guarantee**

- (1) A guarantee is given by a parent undertaking under this section when the directors of the subsidiary company deliver to the registrar a statement by the parent undertaking that it guarantees the subsidiary company under this section.
- (2) The statement under subsection (1) must be authenticated by the parent undertaking and must specify—
  - (a) the name of the parent undertaking,
  - <sup>F2</sup>(b) the registered number (if any) of the parent undertaking,
  - <sup>F3</sup>(c) .....
  - (d) the name and registered number of the subsidiary company in respect of which the guarantee is being given,
  - (e) the date of the statement, and
  - (f) the financial year to which the guarantee relates.
- (3) A guarantee given under this section has the effect that—
  - (a) the parent undertaking guarantees all outstanding liabilities to which the subsidiary company is subject at the end of the financial year to which the guarantee relates, until they are satisfied in full, and

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*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Companies Act 2006. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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- (b) the guarantee is enforceable against the parent undertaking by any person to whom the subsidiary company is liable in respect of those liabilities.]

#### Textual Amendments

- F1** Ss. 479A-479C and cross-heading inserted (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by [The Companies and Limited Liability Partnerships \(Accounts and Audit Exemptions and Change of Accounting Framework\) Regulations 2012](#) (S.I. 2012/2301), regs. 1, 7
- F2** S. 479C(2)(b) substituted (31.12.2020) by S.I. 2019/177, regs. 2, **4A(a)** (as substituted by [The Statutory Auditors, Third Country Auditors and International Accounting Standards \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/1392), regs. 1(2), 4;) 2020 c. 1, **Sch. 5 para. 1(1)**
- F3** S. 479C(2)(c) omitted (31.12.2020) by virtue of S.I. 2019/177, regs. 2, **4A(b)** (as substituted by [The Statutory Auditors, Third Country Auditors and International Accounting Standards \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/1392), regs. 1(2), 4;) 2020 c. 1, **Sch. 5 para. 1(1)**

#### Modifications etc. (not altering text)

- C1** Pts. 1-39 modified (31.12.2020) by Regulation (EC) No. 2157/2001, Art. AAA1(3) (as inserted by [The European Public Limited-Liability Company \(Amendment etc.\) \(EU Exit\) Regulations 2018](#) (S.I. 2018/1298), regs. 1, **97** (with regs. 140-145) (as amended by S.I. 2020/523, regs. 1(2), 5(a)-(f)); 2020 c. 1, **Sch. 5 para. 1(1)**)
- C2** Ss. 479A-479C applied (with modifications) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008](#) (S.I. 2008/1911), **reg. 34A** (as inserted (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by S.I. 2012/2301, regs. 1, **20(4)**) (and as amended: (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by S.I. 2016/575, regs. 2(1), **20**; (31.12.2020) by S.I. 2019/685, reg. 1(2), **Sch. 1 para. 58(8)** (with reg. 1(4)-(8), **Sch. 1 para. 65**) (as amended by S.I. 2020/335, regs. 1, **3, 4**; S.I. 2020/523, regs. 1(2), **22, 25(c)**; 2020 c. 1, **Sch. 5 para. 1(1)**); (31.12.2020) by S.I. 2019/177, regs. 2, **50(b)**; 2020 c. 1, **Sch. 5 para. 1(1)**) (as amended by S.I. 2019/1392, regs. 1(2), **7**; 2020 c. 1, **Sch. 5 para. 1(1)**); (N.I.) (3.10.2022) by S.R. 2022/234, regs. 1, **31(5)**; (N.I.) (1.4.2023) by S.R. 2023/59, regs. 1, **31(5)**; and (N.I.) (29.9.2023) by S.R. 2023/148, regs. 1, **31(5)**)

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to Companies Act 2006. Any changes that have already been made by the team appear in the content and are referenced with annotations.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act amendment to earlier affecting provision S.I. 1989/638, Sch. 4 by [S.I. 2024/410 Sch. 2 para. 1](#)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34 by [S.R. 2024/78 reg. 31\(4\)](#)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34A by [S.R. 2024/78 reg. 31\(5\)](#)
- s. 1087A-1807C applied by S.I. 2009/2436, Sch. 1 para. 20(1)(ca) (as substituted) by [S.I. 2024/410 Sch. 2 para. 5\(d\)\(ii\)](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))