



Companies Act 2006

2006 CHAPTER 46

PART 15

ACCOUNTS AND REPORTS

CHAPTER 12

SUPPLEMENTARY PROVISIONS

Liability for false or misleading statements in reports

463 Liability for false or misleading statements in reports

- (1) The reports to which this section applies are—
 - [^{F1}(za) the strategic report,]
 - (a) the directors' report,
 - (b) the directors' remuneration report, and
 - ^{F2}(c)
- (2) A director of a company is liable to compensate the company for any loss suffered by it as a result of—
 - (a) any untrue or misleading statement in a report to which this section applies, or
 - (b) the omission from a report to which this section applies of anything required to be included in it.
- (3) He is so liable only if—
 - (a) he knew the statement to be untrue or misleading or was reckless as to whether it was untrue or misleading, or
 - (b) he knew the omission to be dishonest concealment of a material fact.

Status: Point in time view as at 01/10/2013.

*Changes to legislation: There are currently no known outstanding effects for the Companies Act 2006,
 Cross Heading: Liability for false or misleading statements in reports. (See end of Document for details)*

- (4) No person shall be subject to any liability to a person other than the company resulting from reliance, by that person or another, on information in a report to which this section applies.
- (5) The reference in subsection (4) to a person being subject to a liability includes a reference to another person being entitled as against him to be granted any civil remedy or to rescind or repudiate an agreement.
- (6) This section does not affect—
- (a) liability for a civil penalty, or
 - (b) liability for a criminal offence.

Textual Amendments

- F1** S. 463(1)(za) inserted (with effect in accordance with reg. 1(4) of the amending S.I.) by [The Companies Act 2006 \(Strategic Report and Directors' Report\) Regulations 2013 \(S.I. 2013/1970\)](#), reg. 1(2)(3), [Sch. para. 17\(a\)](#)
- F2** S. 463(1)(c) omitted (with effect in accordance with reg. 1(4) of the amending S.I.) by virtue of [The Companies Act 2006 \(Strategic Report and Directors' Report\) Regulations 2013 \(S.I. 2013/1970\)](#), reg. 1(2)(3), [Sch. para. 17\(b\)](#)

Modifications etc. (not altering text)

- C1** Ss. 418-469 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, [Sch. 1 para. 10](#) (with transitional provisions and savings in [regs. 7, 9, Sch. 2](#))
- C2** Ss. 441-469 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, [Sch. 1 para. 10](#) (with [reg. 7, Sch. 2](#)) (as amended (with application in accordance with reg. 1(3) of the amending S.I.) by [The Unregistered Companies \(Amendment\) Regulations 2013 \(S.I. 2013/1972\)](#), [regs. 1\(2\), 2\(2\)\(a\)](#))

Commencement Information

- I1** S. 463 wholly in force at 20.1.2007, see s. 1300 and [S.I. 2006/3428](#), [art. 3\(1\)\(c\)](#) (subject to [art. 5, Sch. 1](#) and with [arts. 6, 8, Sch. 5 para. 3](#))

Status:

Point in time view as at 01/10/2013.

Changes to legislation:

There are currently no known outstanding effects for the Companies Act 2006, Cross Heading:
Liability for false or misleading statements in reports.