



Companies Act 2006

2006 CHAPTER 46

PART 16

AUDIT

CHAPTER 1

REQUIREMENT FOR AUDITED ACCOUNTS

Exemption from audit: small companies

477 Small companies: conditions for exemption from audit

- (1) A company that meets the following conditions in respect of a financial year is exempt from the requirements of this Act relating to the audit of accounts for that year.
- (2) The conditions are—
 - (a) that the company qualifies as a small company in relation to that year,
 - (b) that its turnover in that year is [^{F1}not more than £6.5 million], and
 - (c) that its balance sheet total for that year is [^{F2}not more than £3.26 million].
- (3) For a period which is a company's financial year but not in fact a year the maximum figure for turnover shall be proportionately adjusted.
- (4) For the purposes of this section—
 - (a) whether a company qualifies as a small company shall be determined in accordance with section 382(1) to (6), and
 - (b) “balance sheet total” has the same meaning as in that section.
- (5) This section has effect subject to—
 - section 475(2) and (3) (requirements as to statements to be contained in balance sheet),
 - section 476 (right of members to require audit),

Status: Point in time view as at 06/06/2008. This version of this provision has been superseded.

Changes to legislation: Companies Act 2006, Section 477 is up to date with all changes known to be in force on or before 29 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

section 478 (companies excluded from small companies exemption), and section 479 (availability of small companies exemption in case of group company).

Textual Amendments

- F1** Words in s. 477(2)(b) substituted (6.4.2008) by [The Companies Act 2006 \(Amendment\) \(Accounts and Reports\) Regulations 2008 \(S.I. 2008/393\)](#), **reg. 5(1)(a)**
- F2** Words in s. 477(2)(c) substituted (6.4.2008) by [The Companies Act 2006 \(Amendment\) \(Accounts and Reports\) Regulations 2008 \(S.I. 2008/393\)](#), **reg. 5(1)(b)**
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Modifications etc. (not altering text)

- C1** Ss. 477-479 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\)](#), **reg. 34** (as amended (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by S.I. 2012/2301, regs. 1, **20(3)**)
- C2** Ss. 475-481 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, **Sch. 1 para. 11** (with transitional provisions and savings in regs. 7, 9, Sch. 2)

Status:

Point in time view as at 06/06/2008. This version of this provision has been superseded.

Changes to legislation:

Companies Act 2006, Section 477 is up to date with all changes known to be in force on or before 29 August 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.