

SCHEDULE 4

INFORMATION ON RELATED UNDERTAKINGS REQUIRED WHETHER PREPARING COMPANIES ACT OR IAS ACCOUNTS

PART 1

PROVISIONS APPLYING TO ALL COMPANIES

Subsidiary undertakings

1.—(1) The following information must be given where at the end of the financial year the company has subsidiary undertakings.

- (2) The name of each subsidiary undertaking must be stated.
- (3) There must be stated with respect to each subsidiary undertaking—
 - (a) if it is incorporated outside the United Kingdom, the country in which it is incorporated,
 - (b) if it is unincorporated, the address of its principal place of business.

Financial information about subsidiary undertakings

2.—(1) There must be disclosed with respect to each subsidiary undertaking not included in consolidated accounts by the company—

- (a) the aggregate amount of its capital and reserves as at the end of its relevant financial year, and
- (b) its profit or loss for that year.

(2) That information need not be given if the company is exempt by virtue of section 400 or 401 of the 2006 Act from the requirement to prepare group accounts (parent company included in accounts of larger group).

(3) That information need not be given if the company's investment in the subsidiary undertaking is included in the company's accounts by way of the equity method of valuation.

- (4) That information need not be given if—
 - (a) the subsidiary undertaking is not required by any provision of the 2006 Act to deliver a copy of its balance sheet for its relevant financial year and does not otherwise publish that balance sheet in the United Kingdom or elsewhere, and
 - (b) the company's holding is less than 50% of the nominal value of the shares in the undertaking.

(5) Information otherwise required by this paragraph need not be given if it is not material.

(6) For the purposes of this paragraph the "relevant financial year" of a subsidiary undertaking is—

- (a) if its financial year ends with that of the company, that year, and
- (b) if not, its financial year ending last before the end of the company's financial year.

Shares and debentures of company held by subsidiary undertakings

3.—(1) The number, description and amount of the shares in the company held by or on behalf of its subsidiary undertakings must be disclosed.

(2) Sub-paragraph (1) does not apply in relation to shares in the case of which the subsidiary undertaking is concerned as personal representative or, subject as follows, as trustee.

(3) The exception for shares in relation to which the subsidiary undertaking is concerned as trustee does not apply if the company, or any of its subsidiary undertakings, is beneficially interested under the trust, otherwise than by way of security only for the purposes of a transaction entered into by it in the ordinary course of a business which includes the lending of money.

(4) Part 5 of this Schedule has effect for the interpretation of the reference in sub-paragraph (3) to a beneficial interest under a trust.

Significant holdings in undertakings other than subsidiary undertakings

4.—(1) The information required by paragraphs 5 and 6 must be given where at the end of the financial year the company has a significant holding in an undertaking which is not a subsidiary undertaking of the company, and which does not fall within paragraph 18 (joint ventures) or 19 (associated undertakings).

(2) A holding is significant for this purpose if—

- (a) it amounts to 20% or more of the nominal value of any class of shares in the undertaking, or
- (b) the amount of the holding (as stated or included in the company's individual accounts) exceeds one-fifth of the amount (as so stated) of the company's assets.

5.—(1) The name of the undertaking must be stated.

(2) There must be stated—

- (a) if the undertaking is incorporated outside the United Kingdom, the country in which it is incorporated,
- (b) if it is unincorporated, the address of its principal place of business.

(3) There must also be stated—

- (a) the identity of each class of shares in the undertaking held by the company, and
- (b) the proportion of the nominal value of the shares of that class represented by those shares.

6.—(1) Subject to paragraph 14, there must also be stated—

- (a) the aggregate amount of the capital and reserves of the undertaking as at the end of its relevant financial year, and
- (b) its profit or loss for that year.

(2) That information need not be given in respect of an undertaking if—

- (a) the undertaking is not required by any provision of the 2006 Act to deliver a copy of its balance sheet for its relevant financial year and does not otherwise publish that balance sheet in the United Kingdom or elsewhere, and
- (b) the company's holding is less than 50% of the nominal value of the shares in the undertaking.

(3) Information otherwise required by this paragraph need not be given if it is not material.

(4) For the purposes of this paragraph the "relevant financial year" of an undertaking is—

- (a) if its financial year ends with that of the company, that year, and
- (b) if not, its financial year ending last before the end of the company's financial year.

Membership of certain undertakings

7.—(1) The information required by this paragraph must be given where at the end of the financial year the company is a member of a qualifying undertaking.

(2) There must be stated—

- (a) the name and legal form of the undertaking, and
- (b) the address of the undertaking's registered office (whether in or outside the United Kingdom) or, if it does not have such an office, its head office (whether in or outside the United Kingdom).

(3) Where the undertaking is a qualifying partnership there must also be stated either—

- (a) that a copy of the latest accounts of the undertaking has been or is to be appended to the copy of the company's accounts sent to the registrar under section 444 of the 2006 Act, or
- (b) the name of at least one body corporate (which may be the company) in whose group accounts the undertaking has been or is to be dealt with on a consolidated basis.

(4) Information otherwise required by sub-paragraph (2) need not be given if it is not material.

(5) Information otherwise required by sub-paragraph (3)(b) need not be given if the notes to the company's accounts disclose that advantage has been taken of the exemption conferred by regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993(1).

(6) In this paragraph—

“dealt with on a consolidated basis”, “member” and “qualifying partnership” have the same meanings as in the Partnerships and Unlimited Companies (Accounts) Regulations 1993;

“qualifying undertaking” means—

- (a) a qualifying partnership, or
- (b) an unlimited company each of whose members is—
 - (i) a limited company,
 - (ii) another unlimited company each of whose members is a limited company, or
 - (iii) a Scottish partnership each of whose members is a limited company,

and references in this paragraph to a limited company, another unlimited company or a Scottish partnership include a comparable undertaking incorporated in or formed under the law of a country or territory outside the United Kingdom.

Parent undertaking drawing up accounts for larger group

8.—(1) Where the company is a subsidiary undertaking, the following information must be given with respect to the parent undertaking of—

- (a) the largest group of undertakings for which group accounts are drawn up and of which the company is a member, and
- (b) the smallest such group of undertakings.

(2) The name of the parent undertaking must be stated.

(3) There must be stated—

- (a) if the undertaking is incorporated outside the United Kingdom, the country in which it is incorporated,
- (b) if it is unincorporated, the address of its principal place of business.

(1) [S.I. 1993/1820](#).

Draft Legislation: This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument:
The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 No. 410

(4) If copies of the group accounts referred to in sub-paragraph (1) are available to the public, there must also be stated the addresses from which copies of the accounts can be obtained.

Identification of ultimate parent company

9.—(1) Where the company is a subsidiary undertaking, the following information must be given with respect to the company (if any) regarded by the directors as being the company’s ultimate parent company.

(2) The name of that company must be stated.

(3) If that company is incorporated outside the United Kingdom, the country in which it is incorporated must be stated (if known to the directors).

(4) In this paragraph “company” includes any body corporate.