



# Companies Act 1985

## 1985 CHAPTER 6

### PART VII

#### ACCOUNTS AND AUDIT

#### CHAPTER II

##### *EXEMPTIONS, EXCEPTIONS AND SPECIAL PROVISIONS*

##### *Unlimited companies*

#### **254 Exemption from requirement to deliver accounts and reports.**

- (1) The directors of an unlimited company are not required to deliver accounts and reports to the registrar in respect of a financial year if the following conditions are met.
- (2) The conditions are that at no time during the relevant accounting reference period—
  - (a) has the company been, to its knowledge, a subsidiary undertaking of an undertaking which was then limited, or
  - (b) have there been, to its knowledge, exercisable by or on behalf of two or more undertakings which were then limited, rights which if exercisable by one of them would have made the company a subsidiary undertaking of it, or
  - (c) has the company been a parent company of an undertaking which was then limited.

The references above to an undertaking being limited at a particular time are to an undertaking (under whatever law established) the liability of whose members is at that time limited.

- (3) The exemption conferred by this section does not apply [<sup>F1</sup>if—
  - (a) the company is a banking [<sup>F2</sup>or insurance] company or the parent company of a banking [<sup>F2</sup>or insurance] group, or

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*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Cross Heading: Unlimited companies. (See end of Document for details)*

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- (b) the company is a qualifying company within the meaning of the Partnerships and Unlimited Companies (Accounts) Regulations 1993, or
- (c) at any time during the relevant accounting period the company carried on business as the promoter of a trading stamp scheme within the Trading Stamps Act 1964.

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- (4) Where a company is exempt by virtue of this section from the obligation to deliver accounts, section 240 (requirements in connection with publication of accounts) has effect with the following modifications—
- (a) in subsection (3)(b) for the words from “whether statutory accounts” to “have been delivered to the registrar” substitute “that the company is exempt from the requirement to deliver statutory accounts”, and
  - (b) in subsection (5) for “as required to be delivered to the registrar under section 242” substitute “as prepared in accordance with this Part and approved by the board of directors”.

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**Textual Amendments**

**F1** Words in s. 254(3) substituted (21.7.1993) by S.I. 1993/1820, reg. 10

**F2** Words in s. 254(3) substituted (19.12.1993) by S.I. 1993/3246, regs. 5(1), 6, 7, Sch. 2 para.2

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