



# Companies Act 1985

## 1985 CHAPTER 6

### PART VII

#### ACCOUNTS AND AUDIT

#### CHAPTER I

##### PROVISIONS APPLYING TO COMPANIES GENERALLY

*[<sup>F1</sup><sup>F1</sup>Directors' report]]*

#### **234ZZB Directors' report: business review**

- (1) The directors' report for a financial year must contain—
  - (a) a fair review of the business of the company, and
  - (b) a description of the principal risks and uncertainties facing the company.
- (2) The review required is a balanced and comprehensive analysis of—
  - (a) the development and performance of the business of the company during the financial year, and
  - (b) the position of the company at the end of that year, consistent with the size and complexity of the business.
- (3) The review must, to the extent necessary for an understanding of the development, performance or position of the business of the company, include—
  - (a) analysis using financial key performance indicators, and
  - (b) where appropriate, analysis using other key performance indicators, including information relating to environmental matters and employee matters.
- (4) The review must, where appropriate, include references to, and additional explanations of, amounts included in the annual accounts of the company.

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*Status: Point in time view as at 22/03/2005. This version of this provision has been superseded.*

*Changes to legislation: Companies Act 1985, Section 234ZZB is up to date with all changes known to be in force on or before 17 July 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)*

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- (5) In this section, “key performance indicators” means factors by reference to which the development, performance or position of the business of the company can be measured effectively.
- (6) In relation to a group directors' report this section has effect as if the references to the company were references to the company and its subsidiary undertakings included in the consolidation.

**Status:**

Point in time view as at 22/03/2005. This version of this provision has been superseded.

**Changes to legislation:**

Companies Act 1985, Section 234ZZB is up to date with all changes known to be in force on or before 17 July 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.