



Companies Act 1985

1985 CHAPTER 6

PART VII

ACCOUNTS AND AUDIT

CHAPTER II

EXEMPTIONS, EXCEPTIONS AND SPECIAL PROVISIONS

[^{F1}Exemptions from audit for certain categories of small company]

^{F1}249A Exemptions from audit

- (1) Subject to section 249B, a company which meets the total exemption conditions set out below in respect of a financial year is exempt from the provisions of this Part relating to the audit of accounts in respect of that year.
- (2) Subject to section 249B, a company which meets the report conditions set out below in respect of a financial year is exempt from the provisions of this Part relating to the audit of accounts in respect of that year if the directors cause a report in respect of the company's individual accounts for that year to be prepared in accordance with section 249C and made to the company's members.
- (3) The total exemption conditions are met by a company in respect of a financial year if—
 - (a) it qualifies as a small company in relation to that year for the purposes of section 246,
 - (b) its turnover in that year is not more than £90,000, and
 - (c) its balance sheet total for that year is not more than £1.4 million.
- (4) The report conditions are met by a company in respect of a financial year if—
 - (a) it qualifies as a small company in relation to that year for the purposes of section 246,
 - (b) its turnover in that year is more than £90,000 but not more than £350,000, and

Status: Point in time view as at 11/08/1994. This version of this provision has been superseded.

Changes to legislation: Companies Act 1985, Section 249A is up to date with all changes known to be in force on or before 26 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)

- (c) its balance sheet total for that year is not more than £1.4 million.
- (5) In relation to any company which is a charity—
- (a) subsection (3)(b) shall have effect with the substitution for the reference to turnover of a reference to gross income, and
 - (b) subsection (4)(b) shall have effect with the substitution—
 - (i) for the reference to turnover of a reference to gross income, and
 - (ii) for the reference to £350,000 of a reference to £250,000.
- (6) For a period which is a company's financial year but not in fact a year the maximum figures for turnover or gross income shall be proportionately adjusted.
- [^{F2}(6A) A company is entitled to the exemption conferred by subsection (1) or (2) notwithstanding that it falls within paragraph (a) or (b) of section 250(1).]
- (7) In this section—
- “balance sheet total” has the meaning given by section 247(5), and
- “gross income” means the company's income from all sources, as shown in the company's income and expenditure account

Textual Amendments

- F1** Ss. 249A-249E and preceding cross-heading inserted (11.8.1994) by S.I. 1994/1935, reg. 2
- F2** S. 249A(6A) inserted (*retrospectively*) by S.I. 1997/936, reg. 2(7)(8)

Status:

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