



Companies Act 1985

1985 CHAPTER 6

PART VIII

DISTRIBUTION OF PROFITS AND ASSETS

Relevant accounts

273 Requirements for initial accounts.

- (1) The following are the statutory requirements in respect of initial accounts prepared for a proposed distribution by a public company.
- (2) The accounts must have been properly prepared, or they must have been so prepared subject only to matters which are not material for determining, by reference to items mentioned in section 270(2), whether the proposed distribution would contravene the relevant section.
- (3) Section 272(3) applies as respects the meaning of “properly prepared”.
- (4) The company’s auditors must have made a report stating whether, in their opinion, the accounts have been properly prepared; and the following subsection applies if their report is a qualified report, that is to say it is not a report without qualification to the effect that in the auditors’ opinion the accounts have been so prepared.
- (5) The auditors must in that case also have stated in writing whether, in their opinion, the matter in respect of which their report is qualified is material for determining, by reference to items mentioned in section 270(2), whether the distribution would contravene the relevant section.
- (6) A copy of the accounts, of the auditors’ report under subsection (4) and of the auditors’ statement (if any) under subsection (5) must have been delivered to the registrar of companies.
- (7) If the accounts are, or the auditors’ report under subsection (4) or their statement (if any) under subsection (5) is, in a language other than English and [F1the second sentence of section 242(1)] (translation) does not apply, F2 . . . a translation into English

Status: Point in time view as at 01/01/2007. This version of this provision has been superseded.

Changes to legislation: Companies Act 1985, Section 273 is up to date with all changes known to be in force on or before 01 September 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)

of the accounts, the report or the statement (as the case may be), certified in the prescribed manner to be a correct translation, must also have been delivered to the registrar.

Textual Amendments

- F1** Words substituted by Companies Act 1989 (c. 40, SIF 27), ss. 23, 213(2), **Sch. 10 para. 6** (subject to the saving and transitional provisions in S.I. 1990/355, arts. 6–9, **Sch. 3**)
- F2** Words in s. 273(7) repealed (1.1.2007) by Companies Act 2006 (c. 46), ss. 1295, 1300, **Sch. 16**; S.I. 2006/3428, **art. 7(a)**, **Sch. 2 Pt. 1** (with arts. 6, 8, **Sch. 5** (as amended by S.I. 2007/3495, art. 11, **Sch. 5**))

Modifications etc. (not altering text)

- C1** Ss. 270-276 modified (5.10.2004) by Energy Act 2004 (c. 20), ss. 39, 198(2), **Sch. 6 para. 7** (with s. 38(2), **Sch. 6 para. 8**); S.I. 2004/2575, **art. 2(1)**, **Sch. 1**
- C2** S. 273 modified by Airports Act 1986 (c. 31, SIF 9), s. 83(4), **Sch. 5 para. 9(1)** and Gas Act 1986 (c. 44, SIF 44:2), s. 67(3), **Sch. 8 Pt. II para. 41(1)(b)**
- C3** S. 273 modified by Electricity Act 1989 (c. 29, SIF 44:1), s. 112(3), **Sch. 17 paras. 35(1), 39(1)**
- C4** Ss. 270 - 276 applied (with modifications) (27. 12. 1991) by S.I. 1991/2908, art. 2, **Sch. para. 7(1)**
Ss. 270-276 applied (with modifications) (24.11.1995) by S.I. 1995/3023, **art. 7(1)(2)**
- C5** Ss. 270 - 276 modified (6. 1. 1992) by British Technology Group Act 1991 (c. 66, SIF 64), s. 17(3), **Sch. 3 para. 7(1)**; S.I. 1991/2721, **art. 2**
Ss. 270-276 modified (8.11.1995) by 1995 c. 37, s. 6, **Sch. 2 para. 7(1)**
Ss. 270-276 modified (24.7.1996) by 1996 c. 55, ss. 134, 149(1)(f), **Sch. 6 para. 4(1)**
- C6** Ss. 270-276 applied (prosp.) by Horserace Betting and Olympic Lottery Act 2004 (c. 25), **ss. 6(6), 40**

Status:

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