



# Companies Act 2006

## 2006 CHAPTER 46

### PART 16

#### AUDIT

#### CHAPTER 1

##### REQUIREMENT FOR AUDITED ACCOUNTS

##### *Exemption from audit: dormant companies*

#### **480 Dormant companies: conditions for exemption from audit**

- (1) A company is exempt from the requirements of this Act relating to the audit of accounts in respect of a financial year if—
  - (a) it has been dormant since its formation, or
  - (b) it has been dormant since the end of the previous financial year and the following conditions are met.
- (2) The conditions are that the company—
  - (a) as regards its individual accounts for the financial year in question—
    - (i) is entitled to prepare accounts in accordance with the small companies regime (see sections 381 to 384), or
    - (ii) would be so entitled but for having been a public company or a member of an ineligible group, and
  - (b) is not required to prepare group accounts for that year.
- (3) This section has effect subject to—
  - section 475(2) and (3) (requirements as to statements to be contained in balance sheet),
  - section 476 (right of members to require audit), and
  - section 481 (companies excluded from dormant companies exemption).

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*Status: This is the original version (as it was originally enacted).*

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#### **481 Companies excluded from dormant companies exemption**

A company is not entitled to the exemption conferred by section 480 (dormant companies) if it was at any time within the financial year in question a company that—

- (a) is an authorised insurance company, a banking company, an e-money issuer, an ISD investment firm or a UCITS management company, or
- (b) carries on insurance market activity.