



# Bank of England Act 1998

## 1998 CHAPTER 11

### PART I

#### CONSTITUTION, REGULATION AND FINANCIAL ARRANGEMENTS

##### *Financial arrangements*

#### **[<sup>F1</sup>7C Accounts of Bank companies carrying on activities indemnified by Treasury**

- (1) This section applies where the Treasury give an indemnity or guarantee to a company (“the company”) in which the Bank has an interest, in respect of an activity or series of activities undertaken by the company.
- (2) The Treasury may direct the company to send to the Comptroller and Auditor General (“the Comptroller”) accounts prepared by it in accordance with the Companies Act 2006 and any direction given by the Bank under section 7A(1).
- (3) A direction given under subsection (2)—
  - (a) may relate to all financial years, or to financial years specified in the direction;
  - (b) may be revoked by a further direction.
- (4) Where a direction given under subsection (2) has effect in relation to a financial year, the company is exempt from the requirements of Part 16 of the Companies Act 2006 (audit) for that financial year, and its balance sheet must include a statement to that effect.
- (5) The Comptroller must examine any accounts sent to the Comptroller under this section with a view to satisfying himself or herself that the accounts have been properly prepared in all material respects in accordance with the bases of preparation identified in the accounts.
- (6) After completing the examination the Comptroller must—
  - (a) certify the accounts and issue a report,
  - (b) send the certified accounts and the report to the Treasury, and

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**Changes to legislation:** Bank of England Act 1998, Section 7C is up to date with all changes known to be in force on or before 22 April 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) View outstanding changes

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- (c) if not satisfied that the accounts have been properly prepared in all material respects in accordance with the bases of preparation identified in the accounts, report to the House of Commons.
- (7) The Treasury must lay the copy of the certified accounts and the report before Parliament.
- (8) For the purposes of this section, the Bank has an interest in a company if—
- (a) the Bank, or a nominee of the Bank, is a member of the company, or
  - (b) the company is a subsidiary undertaking of the Bank, within the meaning of section 1162 of the Companies Act 2006.]

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**Textual Amendments**

- F1** Ss. 7B 7C inserted (6.7.2016) by Bank of England and Financial Services Act 2016 (c. 14), ss. 10, 41(3) (with Sch. 3); S.I. 2016/627, reg. 2(1)(k)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 9Y(4)(a) word omitted by [2016 c. 14 Sch. 2 para. 13\(4\)\(a\)](#)
- s. 9Y(4)(b) omitted by [2016 c. 14 Sch. 2 para. 13\(4\)\(b\)](#)
- s. 41(4) repealed by [2007 c. 29 Sch. 23](#)