

*These notes refer to the Companies Act 2006 (c.46)  
which received Royal Assent on 8 November 2006*

# COMPANIES ACT 2006

---

## EXPLANATORY NOTES

### COMMENTARY

#### **Part 15: Accounts and Reports**

#### *Chapter 4: Annual Accounts*

#### **Group accounts: other companies**

#### *Sections 399 to 402: group accounts: other companies*

650. The sections relating to group accounts have been reorganised to make them easier to follow.
651. [Sections 399 to 402](#) re-enact sections 227(1) and (8), 228, 228A and 229(5) of the 1985 Act. Section 399 concerns the requirements and exemptions from requirements in relation to group accounts. Parent companies not subject to the small companies regime have the duty to prepare consolidated accounts unless exempt from having to do so under sections 400 to 402. Section 400 provides an exemption from preparing group accounts for companies included in EEA group accounts of a larger group. Section 401 provides such an exemption for companies included in non-EEA group accounts of a larger group, and section 402 provides an exemption when all the company's subsidiary undertakings could be excluded from consolidation in Companies Act group accounts (see section 405).