



Companies Act 2006

2006 CHAPTER 46

PART 15

ACCOUNTS AND REPORTS

CHAPTER 12

SUPPLEMENTARY PROVISIONS

Liability for false or misleading statements in reports

463 Liability for false or misleading statements in reports

- (1) The reports to which this section applies are—
 - (a) the directors' report,
 - (b) the directors' remuneration report, and
 - (c) a summary financial statement so far as it is derived from either of those reports.
- (2) A director of a company is liable to compensate the company for any loss suffered by it as a result of—
 - (a) any untrue or misleading statement in a report to which this section applies, or
 - (b) the omission from a report to which this section applies of anything required to be included in it.
- (3) He is so liable only if—
 - (a) he knew the statement to be untrue or misleading or was reckless as to whether it was untrue or misleading, or
 - (b) he knew the omission to be dishonest concealment of a material fact.

Status: This is the original version (as it was originally enacted).

- (4) No person shall be subject to any liability to a person other than the company resulting from reliance, by that person or another, on information in a report to which this section applies.
- (5) The reference in subsection (4) to a person being subject to a liability includes a reference to another person being entitled as against him to be granted any civil remedy or to rescind or repudiate an agreement.
- (6) This section does not affect—
 - (a) liability for a civil penalty, or
 - (b) liability for a criminal offence.