



Companies Act 1985

1985 CHAPTER 6

PART XI

COMPANY ADMINISTRATION AND PROCEDURE

CHAPTER IV

MEETINGS AND RESOLUTIONS

[^{F1} Rights of auditors]

389A Rights to information.

- (1) The auditors of a company have a right of access at all times to the company's books, accounts and vouchers, and are entitled to require from the company's officers such information and explanations as they think necessary for the performance of their duties as auditors.
- (2) An officer of a company commits an offence if he knowingly or recklessly makes to the company's auditors a statement (whether written or oral) which—
 - (a) conveys or purports to convey any information or explanations which the auditors require, or are entitled to require, as auditors of the company, and
 - (b) is misleading, false or deceptive in a material particular.A person guilty of an offence under this subsection is liable to imprisonment or a fine, or both.
- (3) A subsidiary undertaking which is a body corporate incorporated in Great Britain, and the auditors of such an undertaking, shall give to the auditors of any parent company of the undertaking such information and explanations as they may reasonably require for the purposes of their duties as auditors of that company.

If a subsidiary undertaking fails to comply with this subsection, the undertaking and every officer of it who is in default is guilty of an offence and liable to a fine; and if

Status: Point in time view as at 21/06/2001. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Section 389A. (See end of Document for details)

an auditor fails without reasonable excuse to comply with this subsection he is guilty of an offence and liable to a fine.

- (4) A parent company having a subsidiary undertaking which is not a body corporate incorporated in Great Britain shall, if required by its auditors to do so, take all such steps as are reasonably open to it to obtain from the subsidiary undertaking such information and explanations as they may reasonably require for the purposes of their duties as auditors of that company.

If a parent company fails to comply with this subsection, the company and every officer of it who is in default is guilty of an offence and liable to a fine.

- (5) Section 734 (criminal proceedings against unincorporated bodies) applies to an offence under subsection (3).

Modifications etc. (not altering text)

- C1** S. 389A applied (with modifications) (6.4.2001) by S.I. 2001/1090, reg. 4, **Sch. 2 Pt. I**
C2 S. 389A(1) applied (with modifications) (23.12.1996) by S.I. 1996/943, **reg. 29(2)(a)**
C3 S.389A(3)(4) applied (with modifications) (23.12.1996) by S.I. 1996/943, **reg. 29(2)(b)**

Status:

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Changes to legislation:

There are currently no known outstanding effects for the Companies Act 1985, Section 389A.