



Companies Act 2006

2006 CHAPTER 46

PART 15

ACCOUNTS AND REPORTS

[^{F1} CHAPTER 4A

STRATEGIC REPORT

[^{F1} **Non-financial [^{F3} and sustainability] information statement**

^{F2}414CA

[A strategic report of a company to which this subsection applies must include a non-^{F4}(A1) financial and sustainability information statement.]

- (1) [^{F5}Subsection (A1) applies to a company if it] was at any time within the financial year to which the report relates—
- a traded company,
 - a banking company,
 - an authorised insurance company, ^{F6}...
 - a company carrying on insurance market activity [^{F7}or
 - a company any securities of which are admitted to trading on the market known as the Alternative Investment Market.]

[Subsection (A1) also applies to a company if it was a high turnover company in relation ^{F8}(1A) to that financial year.

(1B) Subsections (1) and (1A) are subject to subsections (3) to (7).]

- (2) If the company's strategic report is a group strategic report, the non-financial [^{F9}and sustainability] information statement to be included in the report under [^{F10}subsection (A1)] must be a consolidated statement (a "group non-financial [^{F9}and sustainability] information statement") relating to the undertakings included in the consolidation.

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- [A company is a “high turnover company” in relation to a financial year—
- ^{F11}(2A) (a) where the company was not a parent company in that financial year, if in that year the company’s turnover was more than £500 million;
- (b) where the company was a parent company at any time within that financial year, if in that year a group headed by the company had an aggregate turnover of more than £500 million net.
- (2B) For a period that is a company’s financial year but not in fact a year the figures for turnover given by subsection (2A) must be proportionately adjusted.
- (2C) For the purposes of subsection (2A)(b)—
- (a) aggregate turnover is ascertained by aggregating the relevant figures determined for each member of the group;
- (b) “net”, in relation to aggregate turnover, is to be interpreted in accordance with section 383(6).
- (2D) Section 383(7) applies for the purposes of subsection (2A)(b) of this section as it applies for the purposes of section 383.]
- (3) [^{F12}Subsection (A1) does not apply to a company if]—
- (a) the company is subject to the small companies regime in relation to that financial year (see sections 382 to 384), or
- (b) the company qualifies as medium-sized in relation to that financial year (see sections 465 to 467).
- (4) [^{F13}Subsection (A1) does not apply—
- (a) to a company which was not a parent company in that financial year, if] the company had no more than 500 employees in that financial year, or
- (b) [^{F14}to a company which was a parent company at any time within that financial year, if] the aggregate number of employees for a group headed by that company in that financial year was no more than 500.
- (5) The number of employees means the average number of persons employed by the company in the year, determined as follows—
- (a) find for each month in the financial year the number of persons employed under contracts of service by the company in that month (whether throughout the month or not),
- (b) add together the monthly totals, and
- (c) divide by the number of months in the financial year.
- (6) The aggregate number of employees for a group is ascertained by aggregating the relevant figures determined in accordance with subsection (5) for each member of the group.
- (7) [^{F15}Subsection (A1) does not apply to a company if] the company is a subsidiary undertaking at the end of that financial year and is included in—
- (a) a group strategic report of a parent undertaking of the company that satisfies the requirements in subsection (8), ^{F16}...
- ^{F16}(b)
- (8) The requirements in this subsection are that—
- (a) the group strategic report relates to undertakings that include the company and its subsidiary undertakings (if any),

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- (b) the report is prepared for a financial year of the parent undertaking that ends at the same time as, or before the end of, the company's financial year, and
- (c) the report includes a group non-financial [^{F17}and sustainability] information statement in respect of all the undertakings included in the consolidation.

^{F18}(9)

- (10) A company to which subsection [^{F19}(A1)] does not apply may include a non-financial [^{F20}and sustainability] information statement in its strategic report or, as the case may be, a group non-financial [^{F20}and sustainability] information statement in its group strategic report.]]

Textual Amendments

- F1** Pt. 15 Ch. 4A inserted (with effect in accordance with reg. 1(4) of the amending S.I.) by [The Companies Act 2006 \(Strategic Report and Directors' Report\) Regulations 2013 \(S.I. 2013/1970\)](#), regs. 1(2)(3), **3**
- F2** Ss. 414CA, 414CB inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Non-Financial Reporting\) Regulations 2016 \(S.I. 2016/1245\)](#), regs. 1(1), **4**
- F3** Words in s. 414CA heading inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(a)**
- F4** S. 414CA(A1) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(b)**
- F5** Words in s. 414CA(1) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(c)**
- F6** Word in s. 414CA(1)(c) omitted (with application in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(d)**
- F7** S. 414CA(1)(e) and word inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(e)**
- F8** S. 414CA(1A)(1B) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(f)**
- F9** Words in s. 414CA(2) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(g)(ii)**
- F10** Words in s. 414CA(2) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(g)(i)**
- F11** S. 414CA(2A)-(2D) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(h)**
- F12** Words in s. 414CA(3) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(i)**
- F13** Words in s. 414CA(4) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022 \(S.I. 2022/31\)](#), regs. 1(2), **3(j)(i)**

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- F14** Words in s. 414CA(4)(b) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022](#) (S.I. 2022/31), regs. 1(2), **3(j)(ii)**
- F15** Words in s. 414CA(7) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022](#) (S.I. 2022/31), regs. 1(2), **3(k)**
- F16** S. 414CA(7)(b) and word omitted (31.12.2020 with effect in relation to financial years beginning on or after IP completion day) by virtue of [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/145), regs. 1(2)(b), 2, **Sch. 2 para. 12(a)** (with reg. 7(2)) (as amended by S.I. 2020/523, regs. 1(2), 10, 11); 2020 c. 1, Sch. 5 para. 1(1)
- F17** Words in s. 414CA(8)(c) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022](#) (S.I. 2022/31), regs. 1(2), **3(l)**
- F18** S. 414CA(9) omitted (31.12.2020 with effect in relation to financial years beginning on or after IP completion day) by virtue of [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/145), regs. 1(2)(b), 2, **Sch. 2 para. 12(b)** (with reg. 7(2)) (as amended by S.I. 2020/523, regs. 1(2), 10, 11); 2020 c. 1, Sch. 5 para. 1(1)
- F19** Word in s. 414CA(10) substituted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022](#) (S.I. 2022/31), regs. 1(2), **3(m)(i)**
- F20** Words in s. 414CA(10) inserted (with application in accordance with reg. 1(2) of the amending S.I.) by [The Companies \(Strategic Report\) \(Climate-related Financial Disclosure\) Regulations 2022](#) (S.I. 2022/31), regs. 1(2), **3(m)(ii)**

Modifications etc. (not altering text)

- C1** Pt. 15 Ch. 4A applied in part (with modifications) by [S.I. 2008/565](#), **reg. 3** (as substituted (with effect in accordance with reg. 2(4) of the amending S.I.) by [The Statutory Auditors Regulations 2017](#) (S.I. 2017/1164), reg. 1(2)(3), **Sch. 2 para. 3** (with reg. 2(6)(7)))

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

- Act amendment to earlier affecting provision S.I. 1989/638, Sch. 4 by [S.I. 2024/410 Sch. 2 para. 1](#)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

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

- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34 by [S.R. 2024/78 reg. 31\(4\)](#)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34A by [S.R. 2024/78 reg. 31\(5\)](#)
- s. 1087A-1807C applied by S.I. 2009/2436, Sch. 1 para. 20(1)(ca) (as substituted) by [S.I. 2024/410 Sch. 2 para. 5\(d\)\(ii\)](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))