



# Companies Act 2006

## 2006 CHAPTER 46

### PART 16

#### AUDIT

### CHAPTER 1

#### REQUIREMENT FOR AUDITED ACCOUNTS

##### *Exemption from audit: small companies*

#### **477 Small companies: conditions for exemption from audit**

- (1) A company that [<sup>F1</sup>qualifies as a small company in relation to] a financial year is exempt from the requirements of this Act relating to the audit of accounts for that year.
- (2) <sup>F2</sup> .....
- (3) <sup>F2</sup> .....
- (4) For the purposes of this section—
  - (a) whether a company qualifies as a small company shall be determined in accordance with section 382(1) to (6), <sup>F3</sup>...
  - (b) <sup>F3</sup> .....
- (5) This section has effect subject to—
  - section 475(2) and (3) (requirements as to statements to be contained in balance sheet),
  - section 476 (right of members to require audit),
  - section 478 (companies excluded from small companies exemption), and
  - section 479 (availability of small companies exemption in case of group company).

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**Changes to legislation:** Companies Act 2006, Section 477 is up to date with all changes known to be in force on or before 30 August 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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### Textual Amendments

- F1** Words in s. 477(1) substituted (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by [The Companies and Limited Liability Partnerships \(Accounts and Audit Exemptions and Change of Accounting Framework\) Regulations 2012](#) (S.I. 2012/2301), regs. 1, [4\(a\)](#)
- F2** S. 477(2)(3) omitted (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by virtue of [The Companies and Limited Liability Partnerships \(Accounts and Audit Exemptions and Change of Accounting Framework\) Regulations 2012](#) (S.I. 2012/2301), regs. 1, [4\(b\)](#)
- F3** S. 477(4)(b) and preceding word omitted (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by virtue of [The Companies and Limited Liability Partnerships \(Accounts and Audit Exemptions and Change of Accounting Framework\) Regulations 2012](#) (S.I. 2012/2301), regs. 1, [4\(c\)](#)

### Modifications etc. (not altering text)

- C1** Ss. 477-479 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008](#) (S.I. 2008/1911), [reg. 34](#) (as amended: (1.10.2012 with application in accordance with reg. 2 of the amending S.I.) by S.I. 2012/2301, regs. 1, [20\(3\)](#); (E.W.S.) (1.10.2018) by S.I. 2018/1030, regs. 1(2), [31\(4\)](#); (31.12.2020) by S.I. 2019/177, regs. 2, [50\(a\)](#) (as amended by S.I. 2020/335, regs. 1, 3, 4 and S.I. 2020/523, regs. 1(2), 22, 25(c); 2020 c. 1, Sch. 5 para. 1(1)); (N.I.) (6.4.2022) by S.R. 2022/121, regs. 1, [31\(4\)](#); (N.I.) (3.10.2022) by S.R. 2022/234, regs. 1, [31\(4\)](#); (N.I.) (1.4.2023) by S.R. 2023/59, regs. 1, [31\(4\)](#); and (N.I.) (29.9.2023) by S.R. 2023/148, regs. 1, [31\(4\)\(5\)](#))
- C2** Ss. 475-481 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009](#) (S.I. 2009/2436), regs. 3-5, [Sch. 1 para. 11](#) (with transitional provisions and savings in regs. 7, 9, Sch. 2)

**Changes to legislation:**

Companies Act 2006, Section 477 is up to date with all changes known to be in force on or before 30 August 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.

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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. 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)
- Sch. 2 Pt. 2 Section (A) para. 25(m) inserted by [2024 c. 13 Sch. 30 para. 30](#)
- Sch. 2 Pt. 2 Section (A) para. 25(j) omitted by [2024 c. 13 Sch. 21 para. 10](#)
- Sch. 2 Pt. 2 Section (A) para. 28 words substituted by [2024 c. 13 Sch. 18 para. 9\(2\)\(a\)\(i\)](#)
- Sch. 2 Pt. 2 Section (A) para. 29 words substituted by [2024 c. 13 Sch. 18 para. 9\(2\)\(a\)\(ii\)](#)
- Sch. 2 Pt. 2 Section (A) para. 36 words substituted by [2024 c. 13 Sch. 18 para. 9\(2\)\(b\)](#)
- 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))