
STATUTORY INSTRUMENTS

2005 No. 2280

The Companies Act 1985 (Investment Companies and Accounting and Audit Amendments) Regulations 2005

PART 4

Small and Medium-sized companies

Special provisions for small companies

12. In section 246(3)(b) of the 1985 Act (special provisions for small companies)(**1**), before subparagraph (i) insert—

“(ai) section 231A (disclosure required in notes to annual accounts: particulars of staff);”.

Disapplication of special provisions for small and medium-sized companies

13. In section 247A(1B)(b), for “one or more regulated activities” substitute “a regulated activity”.

Application of [SI 2005/1011](#), regulation 6

14. Regulation 6 of the Companies Act 1985 (Operating and Financial Review and Directors. Report etc) Regulations 2005 (which amends section 247A of the 1985 Act so as to enable a small company to take advantage of certain exemptions despite being a member of an ineligible group) has effect in relation to a financial year—

- (a) beginning before 1st April 2005 but on or after 1st January 2005, and
- (b) ending on or after 1st October 2005,

as it has effect in relation to a financial year beginning on or after 1st April 2005.

Dormant companies

15. In section 249AA(3)(a) of the 1985 Act (dormant companies)(**2**), for “one or more regulated activities” substitute “a regulated activity”.

(1) Section 246 was substituted by regulation 2(1) of [S.I.1997/220](#), and amended by regulation 6(1) of [S.I. 1997/570](#), by regulation 8(1) of [S.I. 2000/1430](#), by regulations 3 and 13(2) of, and paragraph 12 of Schedule 1 to, [S.I. 2004/2947](#) and by regulation 4 of [S.I. 2005/1011](#).

(2) Section 249AA was inserted by regulation 3 of [S.I. 2000/1430](#), and amended by article 13 of [S.I. 2001/3649](#).

Cases where exemption from audit not available

16. In section 249B(1)(d) of the 1985 Act (cases where exemption from audit not available)(3), after “Act 2000” insert “(other than an appointed representative whose scope of appointment is limited to activities that are not regulated activities for the purposes of this Part: see section 262)”.

Definition of “regulated activity”

17.—(1) In section 262 (minor definitions), at the appropriate place insert—

““regulated activity” has the meaning given by section 744, except that it does not include activities of the kind specified in any of the following provisions of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001—

- (a) article 25A (arranging regulated mortgage contracts),
- (b) article 39A (assisting administration and performance of a contract of insurance),
- (c) article 53A (advising on regulated mortgage contracts), or
- (d) article 21 (dealing as agent), article 25 (arranging deals in investments) or article 53 (advising on investments) where the activity concerns relevant investments that are not contractually based investments (within the meaning of article 3 of that Order);”.

(2) In section 262A (index of defined expressions), at the appropriate place insert—

““regulated activity”	sections 262 and 744”
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(3) Section 249B was inserted by regulation 2 of S.I. 1994/1935, and amended by regulation 10 of S.I. 1996/189, by regulation 3 of S.I. 1997/936 and by regulation 4 of S.I. 2000/1430.