

SCHEDULE 2

INFORMATION ABOUT RELATED UNDERTAKINGS WHERE COMPANY NOT PREPARING GROUP ACCOUNTS (COMPANIES ACT OR IAS INDIVIDUAL ACCOUNTS)

PART 1

REQUIRED DISCLOSURES

Subsidiary undertakings

1.—(1) The following information must be given where at the end of the financial year the company has subsidiary undertakings.

- (2) The name of each subsidiary undertaking must be stated.
- (3) There must be stated with respect to each subsidiary undertaking—
 - (a) if it is incorporated outside the United Kingdom, the country in which it is incorporated,
 - (b) if it is unincorporated, the address of its principal place of business.

Holdings in subsidiary undertakings

2.—(1) There must be stated in relation to shares of each class held by the company in a subsidiary undertaking—

- (a) the identity of the class, and
- (b) the proportion of the nominal value of the shares of that class represented by those shares.

(2) The shares held by or on behalf of the company itself must be distinguished from those attributed to the company which are held by or on behalf of a subsidiary undertaking.

Financial information about subsidiary undertakings

3.—(1) There must be disclosed with respect to each subsidiary undertaking—

- (a) the aggregate amount of its capital and reserves as at the end of its relevant financial year, and
- (b) its profit or loss for that year.

(2) That information need not be given if the company would (if it were not subject to the small companies regime) be exempt by virtue of section 400 or 401 of the 2006 Act (parent company included in accounts of larger group) from the requirement to prepare group accounts.

(3) That information need not be given if the company's investment in the subsidiary undertaking is included in the company's accounts by way of the equity method of valuation.

(4) That information need not be given if—

- (a) the subsidiary undertaking is not required by any provision of the 2006 Act to deliver a copy of its balance sheet for its relevant financial year and does not otherwise publish that balance sheet in the United Kingdom or elsewhere, and
- (b) the company's holding is less than 50% of the nominal value of the shares in the undertaking.

(5) Information otherwise required by this paragraph need not be given if it is not material.

(6) For the purposes of this paragraph the “relevant financial year” of a subsidiary undertaking is—

Status: This is the original version (as it was originally made).

- (a) if its financial year ends with that of the company, that year, and
- (b) if not, its financial year ending last before the end of the company's financial year.

Shares of company held by subsidiary undertakings

4.—(1) The number, description and amount of the shares in the company held by or on behalf of its subsidiary undertakings must be disclosed.

(2) Sub-paragraph (1) does not apply in relation to shares in the case of which the subsidiary undertaking is concerned as personal representative or, subject as follows, as trustee.

(3) The exception for shares in relation to which the subsidiary undertaking is concerned as trustee does not apply if the company, or any subsidiary undertaking of the company, is beneficially interested under the trust, otherwise than by way of security only for the purposes of a transaction entered into by it in the ordinary course of a business which includes the lending of money.

(4) Part 2 of this Schedule has effect for the interpretation of the reference in sub-paragraph (3) to a beneficial interest under a trust.

Significant holdings in undertakings other than subsidiary undertakings

5.—(1) The information required by paragraphs 6 and 7 must be given where at the end of the financial year the company has a significant holding in an undertaking which is not a subsidiary undertaking of the company.

(2) A holding is significant for this purpose if—

- (a) it amounts to 20% or more of the nominal value of any class of shares in the undertaking, or
- (b) the amount of the holding (as stated or included in the company's accounts) exceeds 20% of the amount (as so stated) of the company's assets.

6.—(1) The name of the undertaking must be stated.

(2) There must be stated—

- (a) if the undertaking is incorporated outside the United Kingdom, the country in which it is incorporated,
- (b) if it is unincorporated, the address of its principal place of business.

(3) There must also be stated—

- (a) the identity of each class of shares in the undertaking held by the company, and
- (b) the proportion of the nominal value of the shares of that class represented by those shares.

7.—(1) There must also be stated—

- (a) the aggregate amount of the capital and reserves of the undertaking as at the end of its relevant financial year, and
- (b) its profit or loss for that year.

(2) That information need not be given if—

- (a) the company would (if it were not subject to the small companies regime) be exempt by virtue of section 400 or 401 of the 2006 Act (parent company included in accounts of larger group) from the requirement to prepare group accounts, and
- (b) the investment of the company in all undertakings in which it has such a holding as is mentioned in sub-paragraph (1) is shown, in aggregate, in the notes to the accounts by way of the equity method of valuation.

(3) That information need not be given in respect of an undertaking if—

- (a) the undertaking is not required by any provision of the 2006 Act to deliver to the registrar a copy of its balance sheet for its relevant financial year and does not otherwise publish that balance sheet in the United Kingdom or elsewhere, and
 - (b) the company's holding is less than 50% of the nominal value of the shares in the undertaking.
- (4) Information otherwise required by this paragraph need not be given if it is not material.
- (5) For the purposes of this paragraph the "relevant financial year" of an undertaking is—
- (a) if its financial year ends with that of the company, that year, and
 - (b) if not, its financial year ending last before the end of the company's financial year.

Membership of certain undertakings

8.—(1) The information required by this paragraph must be given where at the end of the financial year the company is a member of a qualifying undertaking.

- (2) There must be stated—
- (a) the name and legal form of the undertaking, and
 - (b) the address of the undertaking's registered office (whether in or outside the United Kingdom) or, if it does not have such an office, its head office (whether in or outside the United Kingdom).
- (3) Where the undertaking is a qualifying partnership there must also be stated either—
- (a) that a copy of the latest accounts of the undertaking has been or is to be appended to the copy of the company's accounts sent to the registrar under section 444 of the 2006 Act, or
 - (b) the name of at least one body corporate (which may be the company) in whose group accounts the undertaking has been or is to be dealt with on a consolidated basis.
- (4) Information otherwise required by sub-paragraph (2) need not be given if it is not material.
- (5) Information otherwise required by sub-paragraph (3)(b) need not be given if the notes to the company's accounts disclose that advantage has been taken of the exemption conferred by regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993(1).

- (6) In this paragraph—
- "dealt with on a consolidated basis", "member" and "qualifying partnership" have the same meanings as in the Partnerships and Unlimited Companies (Accounts) Regulations 1993;
- "qualifying undertaking" means—

- (a) a qualifying partnership, or
- (b) an unlimited company each of whose members is—
 - (i) a limited company,
 - (ii) another unlimited company each of whose members is a limited company, or
 - (iii) a Scottish partnership each of whose members is a limited company,

and references in this paragraph to a limited company, another unlimited company or a Scottish partnership include a comparable undertaking incorporated in or formed under the law of a country or territory outside the United Kingdom.

(1) [S.I. 1993/1820](#).

Parent undertaking drawing up accounts for larger group

9.—(1) Where the company is a subsidiary undertaking, the following information must be given with respect to the parent undertaking of—

- (a) the largest group of undertakings for which group accounts are drawn up and of which the company is a member, and
 - (b) the smallest such group of undertakings.
- (2) The name of the parent undertaking must be stated.
- (3) There must be stated—
- (a) if the undertaking is incorporated outside the United Kingdom, the country in which it is incorporated,
 - (b) if it is unincorporated, the address of its principal place of business.

(4) If copies of the group accounts referred to in sub-paragraph (1) are available to the public, there must also be stated the addresses from which copies of the accounts can be obtained.

Identification of ultimate parent company

10.—(1) Where the company is a subsidiary undertaking, the following information must be given with respect to the company (if any) regarded by the directors as being the company's ultimate parent company.

- (2) The name of that company must be stated.
- (3) If that company is incorporated outside the United Kingdom, the country in which it is incorporated must be stated (if known to the directors).
- (4) In this paragraph "company" includes any body corporate.

Construction of references to shares held by company

11.—(1) References in this Part of this Schedule to shares held by a company are to be construed as follows.

- (2) For the purposes of paragraphs 2 and 3 (information about subsidiary undertakings)—
 - (a) there must be attributed to the company any shares held by a subsidiary undertaking, or by a person acting on behalf of the company or a subsidiary undertaking; but
 - (b) there must be treated as not held by the company any shares held on behalf of a person other than the company or a subsidiary undertaking.
- (3) For the purposes of paragraphs 5 to 7 (information about undertakings other than subsidiary undertakings)—
 - (a) there must be attributed to the company shares held on its behalf by any person; but
 - (b) there must be treated as not held by a company shares held on behalf of a person other than the company.
- (4) For the purposes of any of those provisions, shares held by way of security must be treated as held by the person providing the security—
 - (a) where apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, the rights attached to the shares are exercisable only in accordance with his instructions, and
 - (b) where the shares are held in connection with the granting of loans as part of normal business activities and apart from the right to exercise them for the purpose of preserving

the value of the security, or of realising it, the rights attached to the shares are exercisable only in his interests.