
STATUTORY INSTRUMENTS

2018 No. 860

The Companies (Miscellaneous Reporting) Regulations 2018

PART 2

Amendments to the Companies Act 2006

2. The Companies Act 2006 is amended in accordance with regulations 3 to 6.

Amendment of section 414C

3. In section 414C(1) (contents of the strategic report), in subsection (2), at the end insert—
“Section 414CZA (section 172(1) statement) and sections 414CA and 414CB(2) (non-financial information statement) make further provision about the contents of a strategic report.”

Insertion of section 414CZA (section 172(1) statement)

4. After section 414C insert—

“Section 172(1) statement

414CZA.—(1) A strategic report for a financial year of a company must include a statement (a “section 172(1) statement”) which describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duty under section 172.

(2) Subsection (1) does not apply if the company qualifies as medium-sized in relation to that financial year (see sections 465 to 467).”

Section 172(1) statement to be made available on website

5. After section 426A(3) (supplementary material) insert—

“Section 172(1) statement: requirements as to website publication

Section 172(1) statement to be made available on website

426B.—(1) This section applies if—

- (a) a company is required by section 414CZA to include a section 172(1) statement in its strategic report for a financial year, and

(1) 2006 c.46; section 414C was inserted by the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 (S.I. 2013/1970), regulations 2 and 3.
(2) 2006 c.46; sections 414CA and 414CB were inserted by the Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 (S.I. 2016/1245), regulations 2 and 4.
(3) 2006 c.46; section 426A was inserted by the Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 (S.I. 2013/1970), regulations 9 and 12.

- (b) the company is an unquoted company in relation to that financial year.
- (2) The company must ensure that the section 172(1) statement—
 - (a) is made available on a website, and
 - (b) remains so available until—
 - (i) the section 172(1) statement for the company’s next financial year is made available in accordance with this section, or
 - (ii) if the obligation under this section to make a section 172(1) statement available does not arise in relation to the company’s next financial year, the end of the company’s next financial year.
- (3) The section 172(1) statement must be made available on a website that—
 - (a) is maintained by or on behalf of the company, and
 - (b) identifies the company in question.
- (4) Access to the section 172(1) statement made available on the website under subsection (2), and the ability to obtain a hard copy of the statement from the website, must not be—
 - (a) conditional on the payment of a fee, or
 - (b) otherwise restricted, except so far as necessary to comply with any enactment or regulatory requirement (in the United Kingdom or elsewhere).
- (5) The section 172(1) statement—
 - (a) must be made available on a website as soon as reasonably practicable, and
 - (b) must be kept available throughout the period specified in subsection (2)(b)(i) or (as the case may be) (ii).
- (6) A failure to make the section 172(1) statement available on a website throughout the period specified in subsection (2)(b)(i) or (as the case may be) (ii) is disregarded if—
 - (a) the statement is made available on the website for part of that period, and
 - (b) the failure is wholly attributable to circumstances that it would not be reasonable to have expected the company to prevent or avoid.
- (7) In the event of default in complying with this section, an offence is committed by every officer of the company who is in default.
- (8) A person guilty of an offence under subsection (7) is liable on summary conviction to a fine not exceeding level 3 on the standard scale.”

Amendment of Schedule 8

6. In Schedule 8 after the entry relating to “review period (in Part 24)” insert—

“section 172(1) statement | section 414CZA(1)”