



MEMORANDUM

To: Technical Representatives
From: Roger Morris
Date: 3 June 2015
Ref: TM 05/15

DISCLOSURES BY PARENT UNDERTAKINGS

The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 (SI 2015 / 980) (“the Regulations”) make an amendment to the requirements of the Companies Act 2006 for financial statements **approved on or after 1 July 2015**.

For any parent company, it is currently a requirement for details of all subsidiary undertakings to be disclosed. Whilst this is conventionally included within the notes to the financial statements, [Section 410, Companies Act 2006](#) permits, where the disclosures may be of excessive length, for details of the main subsidiaries to be included within the financial statements, and a full list of subsidiaries to be filed with the company’s next annual return.

The Regulations remove the option of, “alternative compliance”, and [regarding the effective date, these state that](#), “the directors of a company cannot take advantage of section 410 of the Act (information about related undertakings: alternative compliance) in relation to annual accounts of the company approved, pursuant to section 414(3) of the Act, on or after 1st July 2015”.

The following disclosure checklists have been amended to remove the option to provide details of immaterial subsidiary undertakings with the annual return, rather than within the notes to the financial statements, they accompany this Memorandum, and these should be “saved over” the equivalent checklist in your Manual(s):

- HAT Groups Manual (10/12) – Appendix 3.12: Checklist for parent where group accounts are prepared;

12 COCK LANE, LONDON EC1A 9BU
TEL: 020 7213 9911 FAX: 020 7213 9922
EMAIL: hat@hatgroup.co.uk
www.hatgroup.co.uk

ACCOUNTING DIRECT PLUS LIMITED . ALWYNS LLP . APPLEBY & WOOD . ASHCROFT ANTHONY . BARRONS . BEAVIS MORGAN LLP . BIRD LUCKIN . BOURNER BULLOCK
BREWERS . CALDER & CO . CAS HOUSE LIMITED . CLB COOPERS . CMB PARTNERSHIP . COLE MARIE & CO . CONWAY FIELDEN GOUGH . COX COSTELLO & HORNE
DE VINES ACCOUNTANTS . ELLIOTT STEWART & CO . EVERETT & SON . FENLEYS . FRANCIS JAMES & PARTNERS LLP . FRANK HIRTH . F.W. SMITH RICHES & CO . GEORGE HAY & CO
GIBSON MCKERRELL BROWN LLP . GRANITE MORGAN SMITH . HARWOOD HUTTON LIMITED . HMT CORPORATE FINANCE LLP . HURKAN SAYMAN & CO . JAMES WORLEY & SONS
JOHN CUMMING ROSS LIMITED . KAJAINE LIMITED . KAY JOHNSON GEE . K BSP PARTNERS LLP . LAYTON TRAIN LIMITED . LEWIS GOLDEN & CO . MAGMA AUDIT LLP
MATTHEW EDWARDS & CO . MCBRIDES ACCOUNTANTS LLP . MELINEK FINE LLP . MEYER WILLIAMS . MMA PARTNERSHIP LLP . MUNSLAWS . MZ PARTNERS LIMITED
OXLADE & BOND . PKF LITTLEJOHN LLP . R. H. JEFFS & ROWE . SAWIN & EDWARDS . SAYERS BUTTERWORTH LLP . SCRUTTON BLAND . SHELLEY STOCK HUTTER . SILVER LEVENE
SIMMONS GAINSFORD LLP . SOTERIOU BANERJI . STEIN RICHARDS . STEPHENSON SMART . TIFFIN GREEN . VENTHAMS . WALLER & BYFORD . WELLERS . WILDER COE LLP . WMT LLP

- HAT Groups Manual (10/12) – Appendix 3.13.1: Checklist for International Accounting Standards are applied;
- HAT Audit and Accountancy Manual (09/13) – Appendix 4.21: Checklist for parent not consolidating; and
- HAT Non-Audit Assignments Manual (03/14) – Appendix 3.11: Ab6 Checklist for parent not consolidating.

Each of these documents have been dated (in the right hand footer) as, “06/15” to signify the timing of their update.

For any financial statements currently being prepared and / or audited, where advantage has historically been taken of this provision, it should be ensured that (where the financial statements are expected to be, or are signed on or after 1 July 2015) appropriate disclosures are returned to the financial statements. This will remove the risk that the financial statements may be rejected by Companies House for being non-compliant with the requirements of the Companies Act 2006.