

Audit exemption not available where notice under section 334 served

361. (1) Notwithstanding that section 358 is complied with, a company is not entitled to the audit exemption referred to in that section in a financial year if a notice, with respect to that year, is served, under and in accordance with section 334 (1) and (2), on the company.

(2) Notwithstanding that section 359 is complied with—

(a) a holding company and the other members of the group are not entitled to the audit exemption referred to in that section in a financial year if a notice, with respect to that year, is served, under and in accordance with section 334 (1) and (2), on the holding company (irrespective of whether such a notice is served under and in accordance with those provisions on one or more of the other members of the group),

(b) where no such notice has been served, under and in accordance with those provisions, on the holding company but one has been so served on another member of the group, then that member is not entitled to the audit exemption in the year concerned irrespective of whether its holding company and any other members of the group avail themselves of the audit exemption in that year (but this paragraph is not to be read as diminishing the extent of the audit exemption, so far as it relates to the holding company's group financial statements, that is availed of by the holding company).