

## Small and medium companies

377. (1) This section has effect (2)) where the directors have prepared revised financial statements under section 366 and the company, prior to the date of revision, has, taking advantage of the exemption for a small or medium company conferred by section 352, delivered to the Registrar abridged financial statements.

(2) Where the abridged financial statements so delivered to the Registrar would, if they had been prepared by reference to the matters taken account of in the revised financial statements, not comply with the provisions of this Act or, where applicable, of Article 4 of the IAS Regulation whether because—

(a) the company would not have qualified as a small or (as the case may be) medium company in the light of the revised financial statements, or

(b) the financial statements have been revised in a manner which affects the content of the abridged financial statements,

the directors of the company shall have the following duty.

(3) That duty is to cause the company either—

(a) to deliver to the Registrar, within 28 days after the date of revision, a copy of the revised financial statements, together with a copy of the directors' report and the statutory auditors' report on the revised financial statements, or

(b) if, on the basis of the revised financial statements, the company would be entitled under section 352 to do so, to prepare revised abridged financial statements under section 353 or 354 as appropriate and deliver them to the Registrar, together with a statement as to the effect of the revisions made,

and sections 352 to 354 shall be read as being applicable in the circumstances referred to in paragraph (b) as they are applicable in circumstances not falling within this Chapter.

(4) Where the abridged financial statements would, if they had been prepared by reference to the matters taken account of in the revised financial statements, comply with the requirements of this Act, or, where that Article is applicable, the relevant requirements of this Act and the requirements of Article 4 of the IAS Regulation, the directors of the company shall have the following duty.

(5) That duty is to cause the company to deliver to the Registrar—

(a) a note stating that the statutory financial statements of the company for the relevant financial year (specifying it) have been revised in a respect which has no bearing on the abridged financial statements delivered for that year, and

(b) a copy of the statutory auditors' report on the revised financial statements.

(6) Revised abridged financial statements referred to in subsection (3)(b) or a note under subsection (5) shall be delivered to the Registrar within 28 days after the date of revision.

(7) If a director fails to comply with his or her duty under subsection (2) or (4), he or she shall be guilty of a category 3 offence.

(8) Without limiting the obligations of the directors of a company under this section or subsection (7), it shall be the duty of a person who is a shadow director or de facto director of a company to ensure that the requirements of subsections (3) and (5) are complied with in relation to the company.

(9) If a person fails to comply with his or her duty under subsection (8), the person shall be guilty of a category 3 offence.

(10) Section 347 (2) applies for the purposes of the construction of references to a copy of a document in subsection (3) or (5) of this section as it applies for the purpose of the construction of the reference to a copy of a document in section 347 (1).

(11) In this section “date of revision” means the date of revision of the original statutory financial statements.