

CHAPTER 5 Group financial statements: exemptions and exclusions

Exemption from consolidation: size of group

297. (1) Subsection (2) applies save where the company has elected to prepare IFRS group financial statements; its operation is subject to subsections (3) to (8) and section 298.

(2) A holding company shall, in respect of a particular financial year, be exempt from the requirement to prepare group financial statements if, at the financial year end date of the holding company—

(a) for that financial year, and

(b) for the financial year of that company immediately preceding that financial year,

the holding company and all of its subsidiary undertakings taken as a whole satisfy at least 2 of the following 3 qualifying conditions.

(3) Those qualifying conditions are—

(a) the balance sheet total of the holding company and its subsidiary undertakings taken as a whole does not exceed €10 million,

(b) the amount of the turnover of the holding company and its subsidiary undertakings taken as a whole does not exceed €20 million, and

(c) the average number of persons employed by the holding company and its subsidiary undertakings taken as a whole does not exceed 250.

(4) In this section “balance sheet total”, in relation to a company or undertaking, means the aggregate of the amounts shown as assets in the company's or undertaking's balance sheet.

(5) In this section “amount of the turnover”, in relation to a company or undertaking, means the amount of the turnover shown in the company's or undertaking's profit and loss account.

(6) For the purposes of this section, the average number of persons employed shall be that required to be disclosed in accordance with section 317.

(7) In the application of this section to any period which is a financial year but is not in fact a year, the amount specified in subsection (3)(b) shall be proportionally adjusted.

(8) This section shall not apply where—

(a) any shares, debentures or other debt securities of a subsidiary undertaking have been admitted to

trading on a regulated market in an EEA state, or

(b) any of the subsidiary undertakings is a credit institution or an insurance undertaking.