

Directors' report: statement on relevant audit information

330. (1) The directors' report in relation to a company shall contain a statement to the effect that, in the case of each of the persons who are directors at the time the report is approved in accordance with section 332—

(a) so far as the director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and

(b) the director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

(2) In this section “relevant audit information” means information needed by the company's statutory auditors in connection with preparing their report.

(3) A director is regarded as having taken all the steps that he or she ought to have taken as a director in order to do the things mentioned in subsection (1)(b) if he or she has—

(a) made such enquiries of his or her fellow directors (if any) and of the company's statutory auditors for that purpose, and

(b) taken such other steps (if any) for that purpose,

as are required by his or her duty as a director of the company to exercise reasonable care, skill and diligence.

(4) Nothing in this section shall be read as reducing in any way the statutory and professional obligations of the statutory auditors in relation to forming their opinion on the matters specified in section 336.

(5) Where a directors' report containing the statement required by this section is approved in accordance with section 332 but the statement is false, every director of the company who—

(a) knew that the statement was false, or was reckless as to whether it was false, and

(b) failed to take reasonable steps to prevent the report from being so approved,

shall be guilty of a category 2 offence.