

## Approval and signing of abridged financial statements

355. (1) Where the directors of a company are satisfied that the requirements of section 353 or 354, as appropriate, have been complied with as regards the preparation of the abridged financial statements, those financial statements shall be approved by the board of directors and signed on their behalf by 2 directors, where there are 2 or more directors.

(2) Without prejudice to the generality of section 11 and its application to the other provisions of this section, where the company has a sole director subsection (1) operates to require that director, if he or she is satisfied as to the matters referred to in that subsection in respect of the statements, to approve and sign the abridged financial statements.

(3) In addition to the preceding requirements, there shall be included the following statement on the face of the abridged balance sheet, namely a statement by the directors of the company that:

(a) they have relied on the specified exemption contained in section 352;

(b) they have done so on the ground that the company is entitled to the benefit of that exemption as a small company or (as the case may be) as a medium company; and

(c) the abridged financial statements have been properly prepared in accordance with section 353 or 354, as appropriate.

(4) The signatures or signature required by subsection (1) or (2), as the case may be, shall be inserted on the face of the abridged balance sheet immediately after the statement referred to in subsection (3).

(5) Every copy of every abridged balance sheet which is approved by the board of directors or which is circulated, published or issued shall state the names of the persons who signed the balance sheet on behalf of the board of directors.

(6) The following requirements apply to the documents annexed to the annual return under section 352 (3) or (4) and delivered to the Registrar:

(a) the copy of the abridged financial statements required by section 352 (3)(a) or (4)(a) shall state the names of the directors who signed the abridged balance sheet on behalf of the board of directors;

(b) the information referred to in section 329 that, as required by section 352 (3)(b), has been extracted from the directors' report shall be accompanied by a certificate of the secretary of the company stating that it is a true copy of the information laid before the members in general meeting (and that certificate shall bear the signature of the secretary in written or electronic form);

(c) the copy of the directors' report required by section 352 (4)(b) shall state the names of the directors who signed the report on behalf of the board of directors;

(d) the copy of the special statutory auditors' report required by section 352 (3)(c) or (4)(c) shall state the name of the statutory auditors who signed the report and, if different, the name of the statutory auditors who signed the report under section 391.

(7) If abridged financial statements are approved which have not been prepared in accordance with the requirements of section 353 or 354, as the case may be, every director of the company who is party to their approval, and who knows that they have not been so prepared or is reckless as to whether they have been so prepared, shall be guilty of a category 2 offence.

(8) For that purpose, every director of the company at the time the abridged financial statements are approved shall be taken to be a party to their approval unless he or she shows that he or she took all reasonable steps to prevent their being approved.

(9) If the requirements of subsection (6) as regards documents annexed to an annual return under section 352 (3) or (4) are not complied with, the company concerned and any officer of it who is in default shall be guilty of a category 2 offence.

(10) In subsection (9) "officer" includes any shadow director and de facto director.