Draft Order laid before Parliament under section 25(10) of the Government Resources and Accounts Act 2000, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2009 No.

GOVERNMENT RESOURCES AND ACCOUNTS

The Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009

Made - - - -	***
	in accordance with
Coming into force - -	*article 1*

The Treasury, in exercise of the powers conferred by section 25(6) and (7)(b) of the Government Resources and Accounts Act 2000(**1**), makes the following Order.

In accordance with section 25(7)(a) of that Act it appears to the Treasury that each of the bodies specified in the Schedule exercises functions of a public nature or is entirely or substantially funded from public money.

In accordance with section 25(10)(b) of that Act the Treasury has consulted the Comptroller and Auditor General.

A draft of this Order has been laid before and approved by a resolution of each House of Parliament in accordance with section 25(10)(c) of that Act:

Citation and commencement

1. This Order may be cited as the Government Resources and Accounts Act 2000 (Audit of Non-profit-making Companies) Order 2009 and comes into force on the day after the day on which it is made.

Interpretation

2. In this Order—

"financial year" has the meaning given by section 390 of the 2006 Act; and

"the 2006 Act" means the Companies Act 2006(**2**).

(**1**) 2000 c.20.
(**2**) 2006 c.46.

Audit of non-profit-making companies by the Comptroller and Auditor General

3.—(1) The Comptroller and Auditor General shall audit the annual accounts of companies listed in the Schedule.

(2) This article applies for financial years which begin on or after the date shown in the Schedule opposite the name of the company.

(3) In this article, "annual accounts" has the meaning given by section 471 of the 2006 Act.

Application to financial years

4. Article 3 does not apply unless a company also meets the eligibility conditions for a financial year.

Eligibility conditions

5.—(1) The eligibility conditions are that—

(a) the company is non-profit-making;

(b) where the company is a parent company or a subsidiary undertaking, every group undertaking is also non-profit-making; and

(c) the balance sheet of the company contains the statement required by section 475(2) (requirement for audited accounts) of the 2006 Act that it is exempt from the requirements of Part 16 under section 482 (non-profit-making companies subject to public sector audit) of that Act.

(2) In this article—

"group undertaking" has the meaning given by section 1161(5) of the 2006 Act;

"non-profit-making" has the same meaning as in Article 48 of the Treaty establishing the European Community(**3**);

"parent company" has the meaning given by section 1173(1) of the 2006 Act; and

"subsidiary undertaking" has the meaning given by section 1162 of and Schedule 7 to the 2006 Act.

Audit procedure

6.—(1) The directors of a company whose accounts fall to be audited under article 3 shall send a copy of the accounts for the financial year to the Comptroller and Auditor General as soon as is reasonably practicable.

(2) The Comptroller and Auditor General shall—

(a) examine, certify and report to the company's members on accounts received under this article; and

(b) send a copy of the accounts and the report to the Secretary of State or any other Minister of the Crown who shall lay them before Parliament.

(3) In this article "directors" has the meaning given by section 250 of the 2006 Act.

(**3**) O.J. No C 321E, 29.12.06, p.61.