

SCHEDULES

SCHEDULE 5

Regulation 14(7)

FORM AND CONTENT OF ACCOUNTS OF INSURANCE COMPANIES AND GROUPS

1. Part I of Schedule 9A to the 1985 Act (form and content of accounts of insurance companies and groups)(1) is amended as follows.

2. In paragraph 5 (aggregate amount of dividends to be shown separately in profit and loss account etc.)—

(a) omit “and” at the end of sub-paragraph (a), and

(b) after sub-paragraph (b) insert—

“(c) if it is not shown in the notes to the accounts, the aggregate amount of any dividends proposed.”

3. In the profit and loss account format set out in section B of Chapter I of Part I, under the heading “III Non-technical account”, after item 2 insert—

“2a. Tax credit attributable to balance on the long term business technical account”.

4. Paragraph 21 (valuation method to be applied to investments) is hereby repealed.

5.—(1) Paragraph 29 (revaluation reserve) is amended as follows.

(2) In sub-paragraph (3), for “from the revaluation reserve” to “on capitalisation;” substitute—

“(a) from the revaluation reserve—

(i) to the profit and loss account, if the amount was previously charged to that account or represents realised profit, or

(ii) on capitalisation,

(b) to or from the revaluation reserve in respect of the taxation relating to any profit or loss credited or debited to the reserve;”.

(3) In sub-paragraph (4), for “sub-paragraph (3)(b)” substitute “sub-paragraph (3)(a)(ii)”.

6. For paragraph 54 (preliminary matters concerning notes to accounts) substitute—

“54.—(1) Any information required in the case of any company by the following provisions of this Part of this Schedule shall (if not given in the company’s accounts) be given by way of a note to those accounts.

(2) Subject to sub-paragraph (3) below, in respect of every item stated in a note to the accounts—

(a) the corresponding amount for the financial year immediately preceding that to which the accounts relate shall also be stated, and

(b) where the corresponding amount is not comparable, that amount shall be adjusted and particulars of the adjustment and the reasons for it shall be given.

(1) Parts I and II of Schedule 9 to the Companies Act 1985 were formed into a new Schedule 9A by regulation 5(1) of S.I.1991/2705. A new Schedule 9A was substituted by regulation 4 of, and Schedule 1 to, S.I. 1993/3246.

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- (3) Sub-paragraph (2) above does not apply to—
- (a) paragraphs 62 and 66 of this Part of this Schedule (assets and reserves and provisions),
 - (b) paragraph 13 of Schedule 4A (details of accounting treatment of acquisitions),
 - (c) paragraphs 2, 8(3), 16, 21(1)(d), 22(4) and (5), 24(3) and (4) and 27(3) and (4) of Schedule 5 (shareholdings in other undertakings), and
 - (d) Parts II and III of Schedule 6 (loans and other dealings in favour of directors and others).”

7. Sub-paragraph (a) of paragraph 59 (statement in notes to accounts of reason for allotting shares) is hereby repealed.

8. In paragraph 61 (information in notes to accounts about debentures issued during the financial year), sub-paragraphs (1)(a) and (2) are hereby repealed.

9. In paragraph 65 (information in notes to accounts about investments), paragraph (b) and the word “and” immediately preceding it are hereby repealed.

10. In sub-paragraph (1) of paragraph 66 (reserves and provisions) for the words “provisions for liabilities and charges” in both places where they occur substitute “provisions for other risks and charges”.

11. For sub-paragraph (1) of paragraph 68 (statement in notes to accounts of details of indebtedness) substitute the following —

“(1) In respect of each item shown under “creditors” in the company’s balance sheet there shall be stated the aggregate of the following amounts, that is to say—

- (a) the amount of any debts included under that item which are payable or repayable otherwise than by instalments and fall due for payment or repayment after the end of the period of five years beginning with the day next following the end of the financial year; and
- (b) the amount of any debts so included which are payable or repayable by instalments any of which fall due for payment after the end of that period.”

12. In paragraph 70(3) (statement in notes to accounts of amounts of capital expenditure), paragraph (b) and the word “and” immediately preceding it are hereby repealed.

13. Paragraph 71 (dealings with or interests in group undertakings) is hereby repealed.

14. Paragraph 72(3) (statement in notes to accounts of aggregate amount of recommended dividend) is hereby repealed.

15.—(1) Paragraph 73 (separate statement of certain items of income and expenditure) is amended as follows.

- (2) In sub-paragraph (2)(a) the words from “and loans” to “that period” are hereby repealed.
- (3) Sub-paragraphs (3) to (5) are hereby repealed.

16. Paragraph 74(1) (statement in notes to accounts of basis on which charge for tax computed) is hereby repealed.

17.—(1) Paragraph 79 (particulars of staff) is amended as follows.

- (2) In sub-paragraph (2) for “weeks” substitute “months”.
- (3) In sub-paragraph (3) for “week” wherever it occurs substitute “month” and for “weekly” substitute “monthly”.

18. In sub-paragraph (c) of paragraph 84 (provisions) for “provisions for liabilities or charges” substitute “provisions for other risks and charges” and omit the words in parentheses.

19.—(1) Paragraph 86 (staff costs) is amended as follows.

(2) For sub-paragraph (b) substitute—

“(b) “Pension costs” includes any costs incurred by the company in respect of any pension scheme established for the purpose of providing pensions for persons currently or formerly employed by the company, any sums set aside for the future payment of pensions directly by the company to current or former employees and any pensions paid directly to such persons without having first been set aside; and”.

(3) In sub-paragraph (c), for “either of the above items” substitute “the item “social security costs””.