

## SCHEDULES

### SCHEDULE 8

Section 18(5).

#### [SCHEDULE 10 TO THE COMPANIES ACT 1985]

#### **DIRECTORS' REPORT WHERE ACCOUNTS PREPARED IN ACCORDANCE WITH SPECIAL PROVISIONS FOR BANKING OR INSURANCE COMPANIES OR GROUPS**

##### *Recent issues*

- 1 (1) This paragraph applies where a company prepares individual accounts in accordance with the special provisions of this Part relating to banking or insurance companies.
- (2) If in the financial year to which the accounts relate the company has issued any shares or debentures, the directors' report shall state the reason for making the issue, the classes of shares or debentures issued and, as respects each class, the number of shares or amount of debentures issued and the consideration received by the company for the issue.

##### *Turnover and profitability*

- 2 (1) This paragraph applies where a company prepares group accounts in accordance with the special provisions of this Part relating to banking or insurance groups.
- (2) If in the course of the financial year to which the accounts relate the group carried on business of two or more classes (other than banking or discounting or a class prescribed for the purposes of paragraph 17(2) of Part I of Schedule 9) that in the opinion of the directors differ substantially from each other, there shall be contained in the directors' report a statement of—
- (a) the proportions in which the turnover for the financial year (so far as stated in the consolidated accounts) is divided amongst those classes (describing them), and
  - (b) as regards business of each class, the extent or approximate extent (expressed in money terms) to which, in the opinion of the directors, the carrying on of business of that class contributed to or restricted the profit or loss of the group for that year (before taxation).
- (3) In sub-paragraph (2) “the group” means the undertakings included in the consolidation.
- (4) For the purposes of this paragraph classes of business which in the opinion of the directors do not differ substantially from each other shall be treated as one class.

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*Status: This is the original version (as it was originally enacted).*

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*Labour force and wages paid*

- 3 (1) This paragraph applies where a company prepares individual or group accounts in accordance with the special provisions of this Part relating to banking or insurance companies or groups.
- (2) There shall be stated in the directors' report—
- (a) the average number of persons employed by the company or, if the company prepares group accounts, by the company and its subsidiary undertakings, and
  - (b) the aggregate amount of the remuneration paid or payable to persons so employed.
- (3) The average number of persons employed shall be determined by adding together the number of persons employed (whether throughout the week or not) in each week of the financial year and dividing that total by the number of weeks in the financial year.
- (4) The aggregate amount of the remuneration paid or payable means the total amount of remuneration paid or payable in respect of the financial year; and for this purpose remuneration means gross remuneration and includes bonuses, whether payable under contract or not.
- (5) The information required by this paragraph need not be given if the average number of persons employed is less than 100.
- (6) No account shall be taken for the purposes of this paragraph of persons who worked wholly or mainly outside the United Kingdom.
- (7) This paragraph does not apply to a company which is a wholly-owned subsidiary of a company incorporated in Great Britain.