
STATUTORY INSTRUMENTS

2008 No. 374

COMPANIES

**The Companies (Summary Financial
Statement) Regulations 2008**

<i>Made</i>	- - - -	<i>19th February 2008</i>
<i>Laid before Parliament</i>		<i>20th February 2008</i>
<i>Coming into force</i>	- -	<i>6th April 2008</i>

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 426(1) and (3), 427(2) and (5), 428(2) and (5) and 1292(1) of the Companies Act 2006⁽¹⁾.

PART 1

INTRODUCTION

Citation, commencement and application

1.—(1) These Regulations may be cited as the Companies (Summary Financial Statement) Regulations 2008.

(2) These Regulations come into force on 6th April 2008 and apply in relation to companies' financial years beginning on or after that date.

Interpretation

2. In these Regulations, unless otherwise stated—

“the 2006 Act” means the Companies Act 2006;

“the Large and Medium-sized Companies Accounts Regulations” means the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008⁽²⁾;

“the Small Companies Accounts Regulations” means the Small Companies (Accounts and Directors' Report) Regulations 2008⁽³⁾;

(1) 2006 c.46.
(2) S.I. 2008/410.
(3) S.I. 2008/409.

“full accounts and reports” means, in relation to a company, the annual accounts and reports, copies of which the company is required to send to the persons specified in section 423(1) of the 2006 Act, and “full” in relation to any balance sheet, profit and loss account, group accounts, directors’ report or directors’ remuneration report means any such document contained in the full accounts and reports.

Persons to whom a company may send a summary financial statement

3. Subject to these Regulations, a company may send a summary financial statement instead of a copy of its full accounts and reports to—

- (a) a person specified in section 423(1) of the 2006 Act (duty to circulate copies of annual accounts and reports); and
- (b) a person nominated to enjoy information rights under section 146 of the 2006 Act (traded companies: nomination of persons to enjoy information rights).

PART 2

CONDITIONS FOR SENDING OUT SUMMARY FINANCIAL STATEMENT

Cases in which sending of summary financial statement prohibited

4.—(1) In the following cases a company may not send a summary financial statement to a person specified in regulation 3—

- (a) in the case of any such person, where it is prohibited from doing so by any relevant provision of its constitution, and
- (b) in the case of any such person who is the holder of a debenture, where it is prohibited from doing so by a relevant provision in any instrument constituting or otherwise governing any of the company’s debentures of which that person is a holder.

(2) In the following cases a company may not send a summary financial statement to any person specified in regulation 3 in relation to any financial year—

- (a) where, in relation to that year, no auditor’s report has been made in respect of the annual accounts of the company, or the directors’ report, or the auditable part of the directors’ remuneration report, where relevant, under sections 495 (auditor’s report on company’s annual accounts), 496 (auditor’s report on directors’ report) and 497 (auditor’s report on auditable part of directors’ remuneration report) of the 2006 Act respectively;
- (b) where the period for filing accounts and reports for that year under section 442 of the 2006 Act (period for filing accounts) has expired;
- (c) where the summary financial statement in respect of that financial year has not been approved by the board of directors and the original statement has not been signed on behalf of the board by a director of the company.

(3) For the purposes of paragraph (1) any provision (however expressed) which requires copies of the full accounts and reports to be sent to a person specified in regulation 3, or which forbids the sending of summary financial statements under section 426 of the 2006 Act (option to provide summary financial statement), is a relevant provision.

Ascertainment of the wishes of a person specified in regulation 3

5.—(1) A company may not send a summary financial statement to a person specified in regulation 3 unless the company has ascertained that the person does not wish to receive copies of

its full accounts and reports, and paragraphs (2) and (3) apply for the ascertainment of whether or not such a person wishes to receive copies of the full accounts and reports for a financial year.

(2) Where a person specified in regulation 3 has expressly notified the company either that he wishes to receive copies of the full accounts and reports or that he wishes, instead of copies of those documents, to receive summary financial statements, the company must send copies of the full accounts and reports or summary financial statement, as appropriate, to that person in respect of the financial years to which the notification applies.

(3) Where there has been no such express notification to the company by such a person, that person may be taken to have elected to receive summary financial statements if he fails to respond to an opportunity to elect to receive copies of the full accounts and reports given to him either—

- (a) by a consultation notice under regulation 6, or
- (b) as part of a relevant consultation of his wishes by the company under regulation 7.

(4) For the purposes of paragraph (2) a notification has effect in relation to a financial year if it relates to that year (whether or not it has been given at the invitation of the company) and if it has been received by the company not later than 28 days before the first date on which copies of the full accounts and reports for that year are sent to the persons specified in regulation 3 in accordance with section 423 of the 2006 Act.

Consultation by notice

6.—(1) A consultation notice under this regulation is notice given by a company to a person specified in regulation 3 which—

- (a) states that for the future, so long as he is a person so specified, he will be sent a summary financial statement for each financial year instead of a copy of the company's full accounts and reports, unless he notifies the company that he wishes to receive full accounts and reports,
- (b) states that the summary financial statement for a financial year will contain a summary of the company's or group's profit and loss account, balance sheet and, in the case of a quoted company, directors' remuneration report for that year, and may contain additional information derived from the directors' report,
- (c) states that the card or form accompanying the notice in accordance with regulation 8(3) must be returned by a date specified in the notice, being a date at least 21 days after service of the notice and not less than 28 days before the first date on which copies of the full accounts and reports for the next financial year for which that person is entitled to receive them are sent out to persons specified in regulation 3 in accordance with section 423 of the 2006 Act,
- (d) includes a statement in a prominent position to the effect that a summary financial statement will not contain sufficient information to allow as full an understanding of the results and state of affairs of the company or group as would be provided by the full annual accounts and reports and that persons specified in regulation 3 requiring more detailed information have the right to obtain, free of charge, a copy of the company's last full accounts and reports.

(2) In the case of an unquoted company the notice must also state that the summary financial statement will—

- (a) contain a statement by the company's auditor of his opinion as to whether the summary financial statement—
 - (i) is consistent with the company's annual accounts and, where information derived from the directors' report is included in the statement, with that report, and

- (ii) complies with the requirements of section 427 of the 2006 Act (form and contents of summary financial statement: unquoted companies) and of these Regulations;
 - (b) state whether the auditor's report on the annual accounts was unqualified or qualified.
- (3) In the case of a quoted company the notice must also state that the summary financial statement will—
- (a) contain a statement by the company's auditor of his opinion as to whether the summary financial statement—
 - (i) is consistent with the company's annual accounts and the directors' remuneration report and, where information derived from the directors' report is included in the statement, with that report, and
 - (ii) complies with the requirements of section 428 of the 2006 Act (form and contents of summary financial statement: quoted companies) and of these Regulations;
 - (b) state whether the auditor's report on the annual accounts was unqualified or qualified.

Relevant consultation

7.—(1) A company may conduct a relevant consultation to ascertain the wishes of a person specified in regulation 3.

(2) For the purposes of this regulation, a relevant consultation of the wishes of such a person is a notice given to that person which—

- (a) states that for the future, so long as he is a person specified in regulation 3, he will be sent a summary financial statement instead of the full accounts and reports of the company, unless he notifies the company that he wishes to continue to receive full accounts and reports;
- (b) accompanies a copy of the full accounts and reports; and
- (c) accompanies a copy of a summary financial statement, prepared in accordance with section 426 of the 2006 Act, and sections 427 and 428 of that Act, as appropriate, and these Regulations, with respect to the financial year covered by those full accounts and reports and which is identified in the notice as an example of the document which that person will receive for the future, so long as he is a person specified in regulation 3, unless he notifies the company to the contrary.

Supplementary provisions for Part 2

8.—(1) Subject to any requirement or contrary provision of this Part the company communications provisions of the 2006 Act apply to any notice or other communication required or authorised to be sent to or by the company by any provision in this Part.

(2) This regulation and regulations 5, 6 and 7 apply to a person who is entitled, whether conditionally or unconditionally, to become a person specified in section 423(1) of the 2006 Act in relation to the company, but who has not yet become such a person, as they apply to a person specified in regulation 3.

(3) Subject to paragraph (4), a notice given under regulation 6 or 7 must be accompanied by a card or form—

- (a) in respect of which, in the case of a card or form sent by post, any postage necessary for its return to the company has been, or will be, paid by the company, and
- (b) which is so worded as to enable a person specified in regulation 3, by marking a box and returning the card or form, to notify the company that he wishes to receive full accounts

and reports for the next financial year for which he is entitled to receive them as such a person and for all future financial years after that.

(4) The company need not pay the postage in respect of the return of the card or form in the following circumstances—

- (a) if the address of a member to which notices are sent in accordance with the company's constitution is not within an EEA State,
- (b) if the address of a debenture holder to which notices are sent in accordance with the terms of any instrument constituting or otherwise governing the debentures of which he is a holder is not within an EEA State, or
- (c) if the address of a person to whom paragraph (2) applies to which notices are sent, in accordance with the contractual provisions under which he has a right (conditionally or unconditionally) to become a person specified in section 423(1) of the 2006 Act, is not within an EEA State.

PART 3

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT

Provisions applying to all companies and groups

9.—(1) Every summary financial statement issued by a company in place of the full accounts and reports must comply with this regulation.

(2) The summary financial statement must state the name of the person who signed it on behalf of the board.

(3) The summary financial statement of a company the directors of which do not prepare group accounts under Part 15 of the 2006 Act must include a statement in a prominent position to the effect that the summary financial statement does not contain sufficient information to allow as full an understanding of the results and state of affairs of the company, and of its policies and arrangements concerning directors' remuneration (where appropriate) as would be provided by the full annual accounts and reports, and that persons specified in regulation 3 requiring more detailed information have the right to obtain, free of charge, a copy of the company's last full accounts and reports.

(4) The summary financial statement of a company the directors of which prepare group accounts under Part 15 of the 2006 Act must include a statement in a prominent position to the effect that the summary financial statement does not contain sufficient information to allow as full an understanding of the results of the group and state of affairs of the company or of the group, and of their policies and arrangements concerning directors' remuneration (where appropriate) as would be provided by the full annual accounts and reports, and that persons specified in regulation 3 requiring more detailed information have the right to obtain, free of charge, a copy of the company's last full accounts and reports.

(5) The summary financial statement must contain a clear, conspicuous statement—

- (a) of how persons specified in regulation 3 can obtain, free of charge, a copy of the company's last full accounts and reports, and
- (b) of how such persons may elect to receive full accounts and reports in place of summary financial statements for all future financial years.

(6) The summary financial statement must contain the whole of, or a summary of, that portion of the notes to the accounts for the financial year in question which sets out the information required by paragraph 1 of Schedule 3 to the Small Companies Accounts Regulations or paragraph 1 of

Schedule 5 to the Large and Medium-sized Companies Accounts Regulations, as the case may be (total amount of directors' remuneration etc.).

(7) The summary financial statement must contain the information prescribed in relation to the company by the provisions of this Part of the Regulations which apply to the company in such order, and under such headings, as the directors consider appropriate.

(8) The summary financial statement must contain any other information necessary to ensure that the statement is consistent with the full accounts and reports for the financial year in question.

Provisions applying only to certain types of company

10.—(1) The summary financial statement of a company having certain securities publicly traded as specified in paragraph 13 of Schedule 7 to the Large and Medium-sized Companies Accounts Regulations (disclosure required by certain publicly-traded companies) must—

- (a) include in the statement the explanatory material required to be included in the directors' report by paragraph 14 of that Schedule, or
- (b) send that material to the person receiving the summary financial statement at the same time as it sends the statement.

(2) The summary financial statement of a quoted company must contain the whole of, or a summary of, those portions of the directors' remuneration report for the financial year in question which set out the matters required by paragraphs 3 (statement of company's policy on directors' remuneration) and 5 (performance graph) of Schedule 8 to the Large and Medium-sized Companies Accounts Regulations.

Contents of summary financial statements

11.—(1) Subject to regulations 9 and 10, the summary financial statement of a company must be in such form, and contain such information, as is prescribed in relation to that company in the following paragraphs of this regulation so far as applicable to that company.

(2) The summary financial statement of a company (other than a banking or insurance company) the directors of which—

- (a) do not prepare group accounts under Part 15 of the 2006 Act, and
- (b) prepare Companies Act individual accounts under section 396 of the 2006 Act,

must comply with Schedule 1 to these Regulations.

(3) The summary financial statement of a banking company the directors of which—

- (a) do not prepare group accounts under Part 15 of the 2006 Act, and
- (b) prepare Companies Act individual accounts under section 396 of the 2006 Act,

must comply with Schedule 2 to these Regulations.

(4) The summary financial statement of an insurance company the directors of which—

- (a) do not prepare group accounts under Part 15 of the 2006 Act, and
- (b) prepare Companies Act individual accounts under section 396 of the 2006 Act,

must comply with Schedule 3 to these Regulations.

(5) The summary financial statement of a parent company (other than the parent company of a banking or insurance group) the directors of which prepare Companies Act group accounts under section 403 of the 2006 Act (group accounts: applicable accounting framework), must comply with Schedule 4 to these Regulations.

(6) The summary financial statement of the parent company of a banking group the directors of which prepare Companies Act group accounts under section 403 of the 2006 Act, must comply with Schedule 5 to these Regulations.

(7) The summary financial statement of the parent company of an insurance group the directors of which prepare Companies Act group accounts under section 403 of the 2006 Act, must comply with Schedule 6 to these Regulations.

(8) Where the directors of a company do not prepare group accounts but prepare IAS individual accounts, the provisions of Schedule 7 to these Regulations apply to the company's summary financial statement.

(9) Where the directors of a company prepare IAS group accounts the provisions of Schedule 8 to these Regulations apply to the company's summary financial statement.

PART 4

SUPPLEMENTARY PROVISIONS

Revocation, transitionals and saving

12.—(1) Subject to paragraph (2), the Companies (Summary Financial Statement) Regulations 1995⁽⁴⁾ and the Companies (Summary Financial Statement) Regulations (Northern Ireland) 1996⁽⁵⁾ are revoked.

(2) The Companies (Summary Financial Statement) Regulations 1995 and the Companies (Summary Financial Statement) Regulations (Northern Ireland) 1996 continue to apply in relation to financial years beginning before 6th April 2008.

(3) Paragraph (4) has effect in relation to the ascertainment of the wishes of any person for the purposes of section 426 of the 2006 Act and these Regulations.

(4) So far as anything done under or for the purposes of any provision of either the Companies (Summary Financial Statement) Regulations 1995 or the Companies (Summary Financial Statement) Regulations (Northern Ireland) 1996 could have been done under or for the purposes of the corresponding provision of these Regulations, it is not invalidated by the revocation of that provision but has effect as if done under or for the purposes of the corresponding provision.

Gareth Thomas
Parliamentary Under Secretary of State for Trade
and Consumer Affairs,
Department for Business, Enterprise and
Regulatory Reform

19th February 2008

(4) S.I. 1995/2092, as amended by S.I.s 2000/3373, 2002/1780 and 2005/2281.

(5) S.R. 1996/179, as amended by Article 29 of, and Schedule 2 to, S.R. 2003/3, S.R. 2005/57 and S.R. 2006/138.

SCHEDULE 1

Regulation 11(2)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT
OF COMPANY PREPARING COMPANIES ACT INDIVIDUAL
ACCOUNTS (OTHER THAN A BANKING OR INSURANCE COMPANY)

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary profit and loss account showing, in so far as they may be derived from the full profit and loss account, the items, or combinations of items, listed in sub-paragraph (3), in the order set out in that sub-paragraph.

(2) The items or combinations of items listed in sub-paragraph (3) may appear under such headings as the directors consider appropriate.

(3) The items, or combinations of items, referred to in sub-paragraph (1) are—

(a) turnover—

(i) format 1, item 1

(ii) format 2, item 1

(iii) format 3, item B1

(iv) format 4, item B1;

(b) income from shares in group undertakings and participating interests; the combination of the following two items—

(i) format 1, items 7 and 8

(ii) format 2, items 9 and 10

(iii) format 3, items B3 and B4

(iv) format 4, items B5 and B6;

(c) other interest receivable and similar income and interest payable and similar charges; the net figure resulting from the combination of the following two items—

(i) format 1, items 10 and 12

(ii) format 2, items 12 and 14

(iii) format 3, items B6 and A5

(iv) format 4, items B8 and A7;

(d) the profit or loss on ordinary activities before taxation;

(e) tax on profit or loss on ordinary activities—

(i) format 1, item 13

(ii) format 2, item 15

(iii) format 3, item A6

(iv) format 4, item A8;

(f) profit or loss on ordinary activities after taxation—

(i) format 1, item 14

(ii) format 2, item 16

(iii) format 3, item A7 or B7

(iv) format 4, item A9 or B9;

- (g) extraordinary income and charges after tax; the net figure resulting from the combination of the following items—
 - (i) format 1, items 17 and 18
 - (ii) format 2, items 19 and 20
 - (iii) format 3, items A8, A9 and B8
 - (iv) format 4, items A10, A11 and B10; and
- (h) profit or loss for the financial year—
 - (i) format 1, item 20
 - (ii) format 2, item 22
 - (iii) format 3, item A11 or B9
 - (iv) format 4, item A13 or B11.

Dividends

2. The summary financial statement must also contain the information concerning recognized and proposed dividends included in the full accounts and reports.

Summary balance sheet

3.—(1) The summary financial statement must contain a summary balance sheet.

(2) Subject to sub-paragraphs (3) and (4), the summary balance sheet must show, in so far as it can be derived from the full balance sheet and under such heading as the directors consider appropriate, a single amount for each of the headings to which letters are assigned in the balance sheet format which has been used for the full balance sheet (where necessary by the combination of the items to which Roman and Arabic numbers are assigned under those headings) in the order set out in the full balance sheet.

(3) Where an alternative position is permitted for any item in the balance sheet format used, the summary balance sheet must use the position used by the full balance sheet.

(4) Where the full balance sheet used is format 2 in Schedule 1 to the Small Companies Accounts Regulations or format 2 in Schedule 1 to the Large and Medium-sized Companies Accounts Regulations, then in the case of heading C under “Liabilities” two figures must be shown, one figure for amounts falling due within one year and one for amounts falling due after one year.

Corresponding amounts

4.—(1) In respect of every item shown in the summary profit and loss account, or in the summary balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

SCHEDULE 2

Regulation 11(3)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF BANKING
COMPANY PREPARING COMPANIES ACT INDIVIDUAL ACCOUNTS**Summary profit and loss account**

1.—(1) The summary financial statement must contain a summary profit and loss account showing, in so far as they may be derived from the full profit and loss account, the items, or combinations of items, listed in sub-paragraph (3), in the order set out in that sub-paragraph.

(2) The items or combinations of items listed in sub-paragraph (3) may appear under such headings as the directors consider appropriate.

(3) The items, or combinations of items, referred to in sub-paragraph (1) are—

- (a) interest receivable and payable; the net figure resulting from the combination of the following two items—
 - (i) format 1, items 1 and 2
 - (ii) format 2, items A1 and B1;
- (b) dividend income, fees and commissions receivable and payable, dealing profits or losses and other operating income; the net figure resulting from the combination of the following items—
 - (i) format 1, items 3, 4, 5, 6 and 7
 - (ii) format 2, items A2, A3, B2, B3, B4 and B7;
- (c) administrative expenses, depreciation and amortisation, other operating charges, amounts written off, and adjustments to amounts written off, fixed asset investments; the net figure resulting from the combination of the following items—
 - (i) format 1, items 8, 9, 10, 13 and 14
 - (ii) format 2, items A4, A5, A6, A8 and B6;
- (d) provisions and adjustments to provisions; the net figure resulting from the combination of the following two items—
 - (i) format 1, items 11 and 12
 - (ii) format 2, items A7 and B5;
- (e) profit or loss on ordinary activities before tax—
 - (i) format 1, item 15
 - (ii) format 2, item A9 or B8;
- (f) tax on profit or loss on ordinary activities—
 - (i) format 1, item 16
 - (ii) format 2, item A10;
- (g) profit or loss on ordinary activities after tax—
 - (i) format 1, item 17
 - (ii) format 2, item A11 or B9;
- (h) extraordinary profit or loss after tax—
 - (i) format 1, item 22
 - (ii) the net figure resulting from the combination of format 2, items A14 and B11;
- (i) other taxes not shown under the preceding items—

- (i) format 1, item 23
- (ii) format 2, item A15; and
- (j) profit or loss for the financial year—
 - (i) format 1, item 24
 - (ii) format 2, item A16 or B12.

Dividends

2. The summary financial statement must also contain the information concerning recognised and proposed dividends included in the full accounts and reports.

Summary balance sheet

3.—(1) The summary financial statement must contain a summary balance sheet which must show, in so far as they may be derived from the full balance sheet, the items, or combinations of items, set out in sub-paragraph (2), in the order set out in that sub-paragraph and under such headings as the directors consider appropriate.

- (2) The items, or combinations of items, referred to in sub-paragraph (1) are as follows—
- (a) cash and balances at central [or post office] banks, treasury bills and other eligible bills—
the aggregate of items 1 and 2 under the heading “ASSETS”;
 - (b) loans and advances to banks—
item 3 under the heading “ASSETS”;
 - (c) loans and advances to customers—
item 4 under the heading “ASSETS”;
 - (d) debt securities [and other fixed income securities], equity shares [and other variable-yield securities], participating interests and shares in group undertakings—
the aggregate of items 5, 6, 7 and 8 under the heading “ASSETS”;
 - (e) intangible and tangible fixed assets—
the aggregate of items 9 and 10 under the heading “ASSETS”;
 - (f) called up capital not paid, own shares, other assets, prepayments and accrued income—
the aggregate of items 11 (or 14), 12, 13 and 15 under the heading “ASSETS”;
 - (g) total assets under the heading “ASSETS”;
 - (h) deposits by banks—
item 1 under the heading “LIABILITIES”;
 - (i) customer accounts—
item 2 under the heading “LIABILITIES”;
 - (j) debt securities in issue—
item 3 under the heading “LIABILITIES”;
 - (k) other liabilities, accruals and deferred income and provisions for liabilities and charges—
the aggregate of items 4, 5 and 6 under the heading “LIABILITIES”;
 - (l) subordinated liabilities—
item 7 under the heading “LIABILITIES”;

- (m) called up share capital, share premium account, reserves, revaluation reserve and profit and loss account—
the aggregate of items 8, 9, 10, 11 and 12 under the heading “LIABILITIES”;
- (n) total liabilities under the heading “LIABILITIES”;
- (o) contingent liabilities—
item 1 under the heading “MEMORANDUM ITEMS”, and
- (p) commitments—
item 2 under the heading “MEMORANDUM ITEMS”.

Corresponding amounts

4.—(1) In respect of every item shown in the summary profit and loss account, or in the summary balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full account and reports.

SCHEDULE 3

Regulation 11(4)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF INSURANCE COMPANY PREPARING COMPANIES ACT INDIVIDUAL ACCOUNTS

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary profit and loss account showing, in so far as they may be derived from the full profit and loss account, the items, or combinations of items, listed in sub-paragraph (3), in the order set out in that sub-paragraph.

(2) The items or combinations of items listed in sub-paragraph (3) may appear under such headings as the directors consider appropriate.

(3) The items, or combinations of items referred to in sub-paragraph (1) are—

- (a) gross premiums written-general business—
item I 1(a);
- (b) gross premiums written-long term business—
item II 1(a);
- (c) balance on the technical account for general business—
item I 10;
- (d) balance on the technical account for long term business—
item II 13;
- (e) other income and charges; the net figure resulting from the combination of the following items—
 - (i) item III 3
 - (ii) item III 3a

- (iii) item III 4
- (iv) item III 5
- (v) item III 5a
- (vi) item III 6
- (vii) item III 7
- (viii) item III 8;
- (f) the profit or loss on ordinary activities before tax—
item III 8a;
- (g) tax on profit or loss on ordinary activities—
item III 9;
- (h) profit or loss on ordinary activities after tax—
item III 10;
- (i) extraordinary profit or loss after tax—
the net figure resulting from the combination of items III 13 and 14;
- (j) other taxes—
item III 15; and
- (k) profit or loss for the financial year—
item III 16.

Dividends

2. The summary financial statement must also contain the information concerning recognized and proposed dividends included in the full accounts and reports.

Summary balance sheet

3.—(1) The summary financial statement must contain a summary balance sheet which must show, in so far as they may be derived from the full balance sheet, the items, or combinations of items, set out in sub-paragraph (2) in the order of that sub-paragraph and under such headings as the directors consider appropriate.

- (2) The items, or combinations of items, referred to in sub-paragraph (1) are—
- (a) investments—
the aggregate of items C and D under the heading “ASSETS”;
 - (b) reinsurers’ share of technical provisions—
item Da under the heading “ASSETS”;
 - (c) other assets—
the aggregate of items A or E(IV), B, E(I) to (III), F and G under the heading “ASSETS”;
 - (d) total assets under the heading “ASSETS”;
 - (e) capital and reserves—
item A under the heading “LIABILITIES”;
 - (f) subordinated liabilities—
item B under the heading “LIABILITIES”;

- (g) fund for future appropriations—
item Ba under the heading “LIABILITIES”;
- (h) gross technical provisions—
the aggregate of items C.1(a), C.2(a), C.3(a), C.4(a), C.5, C.6(a) and D(a) under the heading “LIABILITIES”;
- (i) technical provisions-reinsurance amounts—
the aggregate of items C.1(b), C.2(b), C.3(b), C.4(b), C.6(b) and D(b) under the heading “LIABILITIES”;
- (j) other liabilities—
the aggregate of items E, F, G and H under the heading “LIABILITIES”; and
- (k) total liabilities under the heading “LIABILITIES”.

Corresponding amounts

4.—(1) In respect of every item shown in the summary profit and loss account, or in the summary balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

SCHEDULE 4

Regulation 11(5)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF PARENT COMPANY PREPARING COMPANIES ACT GROUP ACCOUNTS (OTHER THAN BANKING OR INSURANCE GROUP ACCOUNTS)

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary consolidated profit and loss account showing the items or combinations of items required by paragraph 1 of Schedule 1 to these Regulations in the order required by that paragraph and under such headings as the directors consider appropriate, but with the modifications specified in sub-paragraph (3).

(2) The summary financial statement must also contain the information required by paragraph 2 of Schedule 1 to these Regulations.

(3) The modifications referred to in sub-paragraph (1) are as follows—

- (a) in place of the information required by paragraph 1(3)(b) of Schedule 1 to these Regulations, there must be shown, under such heading as the directors consider appropriate, the item “Income from interests in associated undertakings” required to be shown—
 - (i) in the profit and loss account formats in Part 1 of Schedule 1 to the Small Companies Accounts Regulations by paragraph 1(3) of Schedule 6 to those Regulations (Companies Act: group accounts), or

- (ii) in the profit and loss account formats in Part 1 of Schedule 1 to the Large and Medium-sized Companies Accounts Regulations, by paragraph 20(3) of Schedule 6 to those Regulations (Companies Act: group accounts);
- (b) between the information required by paragraph 1(3)(f) and that required by paragraph 1(3)(g) of Schedule 1 to these Regulations there must in addition be shown, under such heading as the directors consider appropriate, the item required to be shown—
 - (i) in the profit and loss account formats in Part 1 of Schedule 1 to the Small Companies Accounts Regulations by paragraph 17(3)(a) of Schedule 6 to those Regulations (minority interests), or
 - (ii) in the profit and loss account formats in Part 1 of Schedule 1 to the Large and Medium-sized Companies Accounts Regulations, by paragraph 17(3)(a) of Schedule 6 to those Regulations (minority interests); and
- (c) the figure required by paragraph 1(3)(g) of Schedule 1 to these Regulations must be shown after the deduction or the addition (as the case may be) of the item required to be shown—
 - (i) in the profit and loss account formats in Part 1 of Schedule 1 to the Small Companies Accounts Regulations by paragraph 17(3)(b) of Schedule 6 to those Regulations (minority interests), or
 - (ii) in the profit and loss account formats in Part 1 of Schedule 1 to the Large and Medium-sized Companies Accounts Regulations, by paragraph 17(3)(b) of Schedule 6 to those Regulations (minority interests).

Summary balance sheet

2. The summary financial statement must contain a summary consolidated balance sheet showing the items required by paragraph 3 of Schedule 1 to these Regulations in the order required by that paragraph and under such headings as the directors consider appropriate, but with the addition of the item required to be inserted—

- (a) by paragraph 17(2) of Schedule 6 to the Small Companies Accounts Regulations (minority interests), or
- (b) by paragraph 17(2) of Schedule 6 to the Large and Medium-sized Companies Accounts Regulations (minority interests).

Corresponding amounts

3.—(1) In respect of every item shown in the summary consolidated profit and loss account, or in the summary consolidated balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

SCHEDULE 5

Regulation 11(6)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF PARENT
COMPANY OF BANKING GROUP PREPARING COMPANIES ACT GROUP ACCOUNTS

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary consolidated profit and loss account showing the items, or combinations of items, required by paragraph 1 of Schedule 2 to these Regulations, in the order required by that paragraph and under such headings as the directors consider appropriate, but with the modifications specified in sub-paragraph (3).

(2) The summary financial statement must also contain the information required by paragraph 2 of Schedule 2 to these Regulations.

(3) The modifications referred to in sub-paragraph (1) are as follows—

- (a) between the information required by paragraph 1(3)(d) and that required by paragraph 1(3)(e) of Schedule 2 to these Regulations there must in addition be shown, under such heading as the directors consider appropriate, the item “Income from associated undertakings” required to be shown in the profit and loss account formats in Schedule 2 to the Large and Medium-sized Companies Accounts Regulations (banking companies: Companies Act individual accounts) by paragraph 25(4)(ii) of Schedule 6 to those Regulations;
- (b) between the information required by paragraph 1(3)(g) and that required by paragraph 1(3)(h) of Schedule 2 to these Regulations there must in addition be shown, under such heading as the directors consider appropriate, the item required to be shown in the formats in Schedule 2 to the Large and Medium-sized Companies Accounts Regulations by paragraph 17(3)(a) of Schedule 6 to those Regulations (minority interests) as applied by paragraph 25 of Schedule 6 to those Regulations; and
- (c) the figures required by paragraph 1(3)(h) and (i) of Schedule 2 to these Regulations must each be shown after the deduction or the addition (as the case may be) of the item required to be shown in the formats in Schedule 2 to the Large and Medium-sized Companies Accounts Regulations by paragraph 17(3)(b) of Schedule 6 to those Regulations (minority interests) as applied by paragraph 25 of Schedule 6 to those Regulations.

Summary balance sheet

2.—(1) The summary financial statement must contain a summary consolidated balance sheet showing the items required by paragraph 3 of Schedule 2 to these Regulations, in the order required by that paragraph and under such headings as the directors consider appropriate, but with the addition specified in sub-paragraph (2).

(2) Between the items required by paragraph 3(2)(1) and (m) or after the item required by paragraph 3(2)(m) (whichever is the position adopted for the full accounts), there must in addition be shown under an appropriate heading the item required to be shown in the balance sheet format in Schedule 2 to the Large and Medium-sized Companies Accounts Regulations by paragraph 17(2) of Schedule 6 to those Regulations (minority interests) as applied by paragraph 25 in Part 2 of Schedule 6 to those Regulations.

Corresponding amounts

3.—(1) In respect of every item shown in the summary consolidated profit and loss account, or in the summary consolidated balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding accounts made in the full accounts and reports.

SCHEDULE 6

Regulation 11(7)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF PARENT COMPANY OF INSURANCE GROUP PREPARING COMPANIES ACT GROUP ACCOUNTS

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary consolidated profit and loss account showing the items, or combinations of items, required by paragraph 1 of Schedule 3 to these Regulations, in the order required by that paragraph and under such headings as the directors consider appropriate, but with the modifications specified in sub-paragraph (3).

(2) The summary financial statement must also contain the information required by paragraph 2 of that Schedule.

(3) The modifications referred to in sub-paragraph (1) are as follows—

- (a) between the information required by paragraph 1(3)(e) and that required by paragraph 1(3)(f) of Schedule 3 to these Regulations there must in addition be shown, under such heading as the directors consider appropriate, the item “Income from associated undertakings” required to be shown in the profit and loss account formats in Schedule 3 to the Large and Medium-sized Companies Accounts Regulations (insurance companies: Companies Act individual accounts) by paragraph 20(3)(b) of Schedule 6 to those Regulations as substituted by paragraph 37 of Schedule 6 to those Regulations;
- (b) between the information required by paragraph 1(3)(h) and that required by paragraph 1(3)(i) of Schedule 3 to these Regulations there must in addition be shown, under such heading as the directors consider appropriate, the item required to be shown in the profit and loss account formats in Schedule 3 to the Large and Medium-sized Companies Accounts Regulations by paragraph 17(3)(a) of Schedule 6 to those Regulations (minority interests) as applied by paragraph 36 of Schedule 6 to those Regulations; and
- (c) the figures required by paragraph 1(3)(i) and (j) of Schedule 3 to these Regulations must each be shown after the deduction or the addition (as the case may be) of the item required to be shown in the profit and loss account formats in Schedule 3 to the Large and Medium-sized Companies Accounts Regulations by paragraph 17(3)(b) of Schedule 6 to those Regulations (minority interests) as applied by paragraph 36 of Schedule 6 to those Regulations.

Summary balance sheet

2.—(1) The summary financial statement must contain a summary consolidated balance sheet showing the items required by paragraph 3 of Schedule 3 to these Regulations, in the order required by that paragraph and under such headings as the directors consider appropriate, but with the addition of the item specified in sub-paragraph (2).

(2) Between the items required by paragraph 3(2)(d) and (e) of Schedule 3 to these Regulations, there must in addition be shown under an appropriate heading the item required to be shown in the balance sheet format in Schedule 3 to the Large and Medium-sized Companies Accounts Regulations

by paragraph 17(2) of Schedule 6 to those Regulations (minority interests), as applied by paragraph 36 of Schedule 6 to those Regulations.

Corresponding amounts

3.—(1) In respect of every item shown in the summary consolidated profit and loss account, or in the summary consolidated balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

SCHEDULE 7

Regulation 11(8)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF COMPANY PREPARING IAS INDIVIDUAL ACCOUNTS

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary profit and loss account showing either—

- (a) each of the headings and sub-totals included in the full profit and loss account in accordance with international accounting standards, or
- (b) where the directors consider it appropriate, a combination of such headings and sub-totals where they are of a similar nature.

(2) The summary financial statement must also contain the information concerning recognised and proposed dividends included in the full accounts and reports.

(3) In this paragraph and in paragraph 2, the expressions “headings” and “subtotals” have the same meaning as in international accounting standard 1 on the presentation of financial statements⁽⁶⁾.

Summary balance sheet

2. The summary financial statement must contain a summary balance sheet showing either—

- (a) each of the headings and sub-totals included in the full balance sheet in accordance with international accounting standards, or
- (b) where the directors consider it appropriate, a combination of such headings and sub-totals where they are of a similar nature.

Corresponding amounts

3.—(1) In respect of every item shown in the summary profit and loss account, or in the summary balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(6) IAS 1 was adopted by EC Commission Regulation (EC) No. 1725/2003 of 29th September 2003 adopting certain international accounting standards in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and the Council (O.J. L261 of 13.10.2003, pages 1-420).

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

SCHEDULE 8

Regulation 11(9)

FORM AND CONTENT OF SUMMARY FINANCIAL STATEMENT OF COMPANY PREPARING IAS GROUP ACCOUNTS

Summary profit and loss account

1.—(1) The summary financial statement must contain a summary consolidated profit and loss account showing either—

- (a) each of the headings and sub-totals included in the full consolidated profit and loss account in accordance with international accounting standards, or
- (b) where the directors consider it appropriate, a combination of such headings and sub-totals where they are of a similar nature.

(2) The summary financial statement must also contain the information concerning recognised and proposed dividends included in the full accounts and reports.

(3) In this paragraph and in paragraph 2, the expressions “headings” and “subtotals” have the same meaning as in international accounting standard 1 on the presentation of financial statements.

Summary balance sheet

2. The summary financial statement must contain a summary consolidated balance sheet showing either—

- (a) each of the headings and sub-totals included in the full consolidated balance sheet in accordance with international accounting standards, or
- (b) where the directors consider it appropriate, a combination of such headings and sub-totals where they are of a similar nature.

Corresponding amounts

3.—(1) In respect of every item shown in the summary consolidated profit and loss account, or in the summary consolidated balance sheet, the corresponding amount must be shown for the immediately preceding financial year.

(2) For the purposes of sub-paragraph (1), “the corresponding amount” is the amount shown in the summary financial statement for that year or which would have been so shown had such a statement been prepared for that year, taking account of any adjustments to corresponding amounts made in the full accounts and reports.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations concern the summary financial statements which companies may send out in place of their full accounts and reports under sections 426 to 428 in Part 15 of the Companies Act 2006 (c.46) (“the 2006 Act”). They replace the Companies (Summary Financial Statement) Regulations 1995 (S.I. 1995/2092) (“the 1995 Regulations”) which were made under the corresponding provisions of the Companies Act 1985 (c.6), and the Companies (Summary Financial Statement) Regulations (Northern Ireland) 1996 (S.R. 1996/179) (“the 1996 Regulations”), made under provisions in the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)).

The Regulations come into force on 6th April 2008, and apply in relation to companies’ financial years beginning on or after that date (regulation 1(2)). They extend to the whole of the United Kingdom, reflecting the extent of the 2006 Act.

Regulation 3 extends the persons to whom summary financial statements may be sent to cover not only members, debenture holders and persons entitled to receive notice of general meetings, but also persons nominated to enjoy information rights under section 146 of the 2006 Act.

Part 2 of the Regulations re-enacts the conditions for sending out summary financial statements. Regulation 4 restates the circumstances in which the sending out of such a statement is prohibited, substituting references to a company’s constitution for references to its memorandum and articles. Part 2 also restates the provisions relating to the manner in which it is to be ascertained whether a person entitled to receive copies of the full accounts and reports wishes to receive summary financial statements in their place.

Part 3 of the Regulations re-enacts the provisions concerning the form and content of summary financial statements. Regulation 10(1) specifies that explanatory material which certain publicly traded companies are required to include in their directors’ report by paragraph 14 in Part 6 of Schedule 7 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 must either be included in a summary financial statement or sent separately at the same time as the statement. Regulation 10(2) specifies particular matters derived from the directors’ remuneration report which must be contained in the summary financial statements of quoted companies (as defined in section 385 of the 2006 Act).

Under Part 3 of the Regulations, where the company prepares Companies Act accounts (as defined in sections 395(1)(a) and 403(2)(a) of the 2006 Act) the form and content of the appropriate summary financial statements are specified in regulation 11(2) to (7) of, and Schedules 1 to 6 to, the Regulations. These cross refer to the form and content of the full accounts and reports of such companies which are set out in the Small Companies and Groups (Accounts and Directors’ Report) Regulations 2008 and the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008. The form and content of summary financial statements of companies preparing IAS accounts (as defined in sections 395(1)(b) and 403(1) and (2)(b) of the 2006 Act) are specified in regulation 11(8) and (9) of, and Schedules 7 and 8 to, the Regulations.

Part 4 of the Regulations revokes the 1995 and 1996 Regulations (but preserves them for financial years beginning before 6th April 2008), and makes transitional provision concerning continuation of choices as to whether to receive full accounts and reports or summary financial statements.

An Impact Assessment has not been produced for these Regulations as they have only a negligible impact on the costs of business, charities or voluntary bodies.

