

SCHEDULE 1

COMPANIES ACT INDIVIDUAL ACCOUNTS

Modifications etc. (not altering text)

- C1** Sch. 1 applied (with modifications) (E.W.S.) (with application in accordance with reg. 2(2) of the amending S.I.) by [The Small Limited Liability Partnerships \(Accounts\) Regulations 2008 \(S.I. 2008/1912\)](#), regs. 2(1), 3(2), **Sch. 1** (with reg. 2(3)) (as amended (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Limited Liability Partnerships, Partnerships and Groups \(Accounts and Audit\) Regulations 2016 \(S.I. 2016/575\)](#), regs. 2(1), **34-41**)

PART 1

GENERAL RULES AND FORMATS

SECTION A

GENERAL RULES

1.—(1) Subject to the following provisions of this Schedule—

- (a) every balance sheet of a company must show the items listed in either of the balance sheet formats in Section B of this Part, and
- (b) every profit and loss account must show the items listed in [^{F1}either] of the profit and loss account formats in Section B.

[^{F2}(1A) But, subject to the following provisions of this Schedule, in relation to a company which qualifies as a micro-entity in relation to a financial year (see sections 384A and 384B of the 2006 Act)—

- (a) the only items which must be shown on the company's balance sheet for that year are those listed in either of the balance sheet formats in Section C of this Part, and
- (b) the only items which must be shown on the company's profit and loss account for that year are those listed in the profit and loss account format in Section C.]

(2) References in this Schedule to the items listed in any of the formats in Section B [^{F3}and Section C] are to those items read together with any of the notes following the formats which apply to those items.

(3) [^{F4}[^{F5}Subject to paragraph 1A]] The items must be shown in the order and under the headings and sub-headings given in the particular format used, but—

- (a) the notes to the formats may permit alternative positions for any particular items, and
- (b) the heading or sub-heading for any item does not have to be distinguished by any letter or number assigned to that item in the format used.

Textual Amendments

- F1** Word in Sch. 1 para. 1(1)(b) substituted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(a)** (with reg. 3)

Changes to legislation: There are currently no known outstanding effects for the *The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008*, Cross Heading: SECTION A. (See end of Document for details)

- F2** Sch. 1 para. 1(1A) inserted (with effect in accordance with reg. 2(2) of the amending S.I.) by [The Small Companies \(Micro-Entities Accounts\) Regulations 2013 \(S.I. 2013/3008\)](#), regs. 2(1), **10(2)(a)** (with reg. 3)
- F3** Words in Sch. 1 para. 1(2) inserted (with effect in accordance with reg. 2(2) of the amending S.I.) by [The Small Companies \(Micro-Entities Accounts\) Regulations 2013 \(S.I. 2013/3008\)](#), regs. 2(1), **10(2)(b)** (with reg. 3)
- F4** Words in Sch. 1 para. 1(3) inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(b)** (with reg. 3)
- F5** Words in Sch. 1 para. 1(3) omitted (26.10.2023 for specified purposes) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), ss. **58(2)**, 219(1)(2)(b)

[^{F6}1A.—(1) [^{F7}Where appropriate to the circumstances of a company's business, the company's directors may, with reference to one of the formats in Section B, draw up an abridged balance sheet showing only those items in that format preceded by letters and roman numerals, provided that—

- (a) in the case of format 1, note (5) of the notes to the formats is complied with,
- (b) in the case of format 2, notes (5) and (10) of those notes are complied with, and
- (c) all of the members of the company have consented to the drawing up of the abridged balance sheet.]

(2) Where appropriate to the circumstances of a company's business, the company's directors may, with reference to one of the formats in Section B, draw up an abridged profit and loss account, combining under one item called "Gross profit or loss"—

- (a) items 1, 2, 3 and 6 in the case of format 1, and
- (b) items 1 to 5 in the case of format 2

provided that, in either case, all of the members of the company have consented to the drawing up of the abridged profit and loss account.

(3) Such consent as is referred to in sub-paragraphs (1) and (2) may only be given as regards the preparation of, as appropriate, the balance sheet or profit and loss account in respect of the preceding financial year.

(4) Sub-paragraphs (1) and (2) do not apply in relation to the preparation of, as appropriate, a company's balance sheet or profit and loss account for a particular financial year if the company was a charity at any time within that year.

Textual Amendments

- F6** Sch. 1 paras. 1A-1C inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(c)** (with reg. 3)
- F7** Sch. 1 para. 1A omitted (26.10.2023 for specified purposes) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), ss. **58(3)**, 219(1)(2)(b)

1B.—(1) The company's directors may adapt one of the balance sheet formats in Section B so to distinguish between current and non-current items in a different way, provided that—

- (a) the information given is at least equivalent to that which would have been required by the use of such format had it not been thus adapted, and
- (b) the presentation of those items is in accordance with generally accepted accounting principles or practice.

Changes to legislation: There are currently no known outstanding effects for the *The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008*, Cross Heading: SECTION A. (See end of Document for details)

(2) The company's directors may^{F8}, otherwise than pursuant to paragraph 1A(2),] adapt one of the profit and loss account formats in Section B, provided that—

- (a) the information given is at least equivalent to that which would have been required by the use of such format had it not been thus adapted, and
- (b) the presentation is in accordance with generally accepted accounting principles or practice.

Textual Amendments

- F6** Sch. 1 paras. 1A-1C inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(c)** (with reg. 3)
- F8** Words in Sch. 1 para. 1B(2) omitted (26.10.2023 for specified purposes) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), ss. **58(4)**, 219(1)(2)(b)

1C. So far as is practicable, the following provisions of Section A of this Part of this Schedule apply to the balance sheet or profit or loss account of a company notwithstanding any such ^{F9}abridgment or] adaptation pursuant to paragraph ^{F10}1A or] 1B.]

Textual Amendments

- F6** Sch. 1 paras. 1A-1C inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(c)** (with reg. 3)
- F9** Words in Sch. 1 para. 1C omitted (26.10.2023 for specified purposes) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), ss. **58(5)(a)**, 219(1)(2)(b)
- F10** Words in Sch. 1 para. 1C omitted (26.10.2023 for specified purposes) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), ss. **58(5)(b)**, 219(1)(2)(b)

2.—(1) Where in accordance with ^{F11} paragraph 1(1)] a company's balance sheet or profit and loss account for any financial year has been prepared by reference to one of the formats in Section B, the company's directors must use the same format in preparing Companies Act individual accounts for subsequent financial years, unless in their opinion there are special reasons for a change.

(2) Particulars of any such change must be given in a note to the accounts in which the new format is first used, and the reasons for the change must be explained.

Textual Amendments

- F11** Words in Sch. 1 para. 2(1) substituted (with effect in accordance with reg. 2(2) of the amending S.I.) by [The Small Companies \(Micro-Entities Accounts\) Regulations 2013 \(S.I. 2013/3008\)](#), regs. 2(1), **10(2)(e)** (with reg. 3)

^{F12}**2A.** Where in accordance with paragraph 1(1A) a company's balance sheet or profit and loss account for any financial year has been prepared by reference to one of the formats in Section C, the company's directors must use the same format in preparing Companies Act individual accounts for subsequent financial years, unless in their opinion there are special reasons for a change.]

Changes to legislation: There are currently no known outstanding effects for the *The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008*, Cross Heading: SECTION A. (See end of Document for details)

Textual Amendments

F12 Sch. 1 para. 2A inserted (with effect in accordance with reg. 2(2) of the amending S.I.) by [The Small Companies \(Micro-Entities Accounts\) Regulations 2013 \(S.I. 2013/3008\)](#), regs. 2(1), **10(2)(d)** (with reg. 3)

3.—(1) [^{F13}Subject to paragraph 1A] any item required to be shown in a company's balance sheet or profit and loss account may be shown in greater detail than required by the particular format used.

(2) The balance sheet or profit and loss account may include an item representing or covering the amount of any asset or liability, income or expenditure not otherwise covered by any of the items listed in the format used, save that none of the following may be treated as assets in any balance sheet—

- (a) preliminary expenses,
- (b) expenses of, and commission on, any issue of shares or debentures,
- (c) costs of research.

Textual Amendments

F13 Words in Sch. 1 para. 3 inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(b)** (with reg. 3)

Modifications etc. (not altering text)

C1 Sch. 1 para. 3(2) applied (with modifications) (with application in accordance with reg. 1(2) of the amending S.I.) by [The Partnerships \(Accounts\) Regulations 2008 \(S.I. 2008/569\)](#), reg. 1(2), Sch. 1 paras. 1(1)(b), **2(1)(a)(i)**

4.—(1) Where the special nature of the company's business requires it, the company's directors must adapt the arrangement, headings and sub-headings otherwise required in respect of items given an Arabic number in the balance sheet or profit and loss account format used.

(2) The directors may combine items to which Arabic numbers are given in any of the formats set out in Section B if—

- (a) their individual amounts are not material to assessing the state of affairs or profit or loss of the company for the financial year in question, or
- (b) the combination facilitates that assessment.

(3) Where sub-paragraph (2)(b) applies, the individual amounts of any items which have been combined must be disclosed in a note to the accounts.

5.—(1) Subject to sub-paragraph (2), the directors must not include a heading or sub-heading corresponding to an item in the balance sheet or profit and loss account format used if there is no amount to be shown for that item for the financial year to which the balance sheet or profit and loss account relates.

(2) Where an amount can be shown for the item in question for the immediately preceding financial year that amount must be shown under the heading or sub-heading required by the format for that item.

6. Every profit and loss account [^{F14}other than one prepared by reference to the format in Section C] must show the amount of a company's profit or loss ^{F15}... before taxation.

Textual Amendments

- F14** Words in Sch. 1 para. 6 inserted (with effect in accordance with reg. 2(2) of the amending S.I.) by [The Small Companies \(Micro-Entities Accounts\) Regulations 2013 \(S.I. 2013/3008\)](#), regs. 2(1), **10(2)(e)** (with reg. 3)
- F15** Words in Sch. 1 para. 6 omitted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by virtue of [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(d)** (with reg. 3)

Modifications etc. (not altering text)

- C2** Sch. 1 para. 6 applied (with modifications) (with application in accordance with reg. 1(2) of the amending S.I.) by [The Partnerships \(Accounts\) Regulations 2008 \(S.I. 2008/569\)](#), reg. 1(2), Sch. 1 paras. 1(1)(b), **2(1)(a)(ii)**

7.—(1) For every item shown in the balance sheet or profit and loss account the corresponding amount for the immediately preceding financial year must also be shown.

(2) Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the balance sheet or profit and loss account relates, the former amount may be adjusted, and particulars of the non-comparability and of any adjustment must be disclosed in a note to the accounts.

8. Amounts in respect of items representing assets or income may not be set off against amounts in respect of items representing liabilities or expenditure (as the case may be), or vice versa.

9. The company's directors must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

[^{F16}9A. Where an asset or liability relates to more than one item in the balance sheet, the relationship of such asset or liability to the relevant items must be disclosed either under those items or in the notes to the accounts.]

Textual Amendments

- F16** Sch. 1 para. 9A inserted (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by [The Companies, Partnerships and Groups \(Accounts and Reports\) Regulations 2015 \(S.I. 2015/980\)](#), regs. 2(1), **16(2)(e)** (with reg. 3)

Changes to legislation:

There are currently no known outstanding effects for the The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008, Cross Heading: SECTION A.