
STATUTORY INSTRUMENTS

2022 No. 46

The Limited Liability Partnerships (Climate-related Financial Disclosure) Regulations 2022

PART 3

AMENDMENT OF PART 5A OF THE LIMITED LIABILITY PARTNERSHIPS (ACCOUNTS AND AUDIT) (APPLICATION OF COMPANIES ACT 2006) REGULATIONS 2008

4.—(1) Regulation 12B of the 2008 Regulations, which applies sections 415, 415A, 416 and 419 of the Companies Act 2006 with modifications, is amended as set out below.

(2) After the modified section 416 (contents of energy and carbon report), provided for by regulation 12B, insert—

“416A Climate-related financial disclosures in the energy and carbon report

(1) The energy and carbon report of a large LLP for a financial year must set out climate-related financial disclosures.

(2) A “large LLP” means—

(a) an LLP which is not a traded LLP nor a banking LLP;

(b) where in the relevant financial year—

(i) the LLP is not a parent LLP, an LLP which has more than 500 employees and an annual turnover of more than £500 million;

(ii) the LLP is a parent LLP, the aggregate number of employees for a group headed by that LLP is more than 500 and the group headed by it has an annual turnover of more £500 million.

(3) For the purposes of subsection (2), the number of employees of an LLP or of a group headed by an LLP means the average number of persons employed by the LLP or the group headed by the LLP in the year, determined as follows—

(a) find for each month in the financial year the number of persons employed under contracts of service by the LLP or the group headed by the LLP in that month (whether throughout the month or not);

(b) add together the monthly totals; and

(c) divide by the number of months in the financial year.

(4) For a period that is an LLP’s financial year but not in fact a year the figure of £500 million for annual turnover given by subsection (2) must be proportionately adjusted.

(5) If the LLP’s energy and carbon report is a group energy and carbon report, the figures for each subsidiary undertaking must be those included in its individual accounts for the relevant financial year, that is—

- (a) if its financial year ends with that of the parent LLP, that financial year; and
- (b) if not, its financial year ending last before the end of the financial year of the parent LLP.

(6) If the figures referred to in paragraph (5) cannot be obtained without disproportionate expense or undue delay, the latest available figures must be taken.

(7) In this section, “climate-related financial disclosures” has the same meaning as set out in section 414C(4A).

(8) Where the members of an LLP reasonably believe that, having regard to the nature of the LLP’s business, and the manner in which it is carried on, the whole or a part of a climate-related financial disclosure described in subsection 414C(4A)(e), (f), (g) or (h) is not necessary for an understanding of the LLP’s business, the members may omit the whole or (as the case requires) the relevant part of that climate-related financial disclosure.

(9) Where the members omit the whole or part of a climate-related financial disclosure in reliance on subsection (8) the strategic report must provide a clear and reasoned explanation of the members’ reasonable belief mentioned in that subsection.

(10) The Secretary of State may issue guidance on the climate-related financial disclosures, which are required by subsection (1), and otherwise in connection with the requirements of this section.”.