

**Status:** Point in time view as at 31/12/2020.

**Changes to legislation:** There are currently no known outstanding effects for the The International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019, CHAPTER 1. (See end of Document for details)

## SCHEDULE 1

Consequential amendments and transitional provision relating to the adoption of international accounting standards in the United Kingdom

### PART 1

#### Amendments to Primary Legislation

##### CHAPTER 1

##### Amendments to the Companies Act 2006

#### Amendments to the Companies Act 2006

1. The Companies Act 2006<sup>M1</sup> is amended in accordance with this Chapter.

##### Commencement Information

**I1** Sch. 1 para. 1 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

##### Marginal Citations

**M1** 2006 c.46.

#### Companies qualifying as small: parent companies

2. In section 383(6), for “international accounting standards” substitute “ UK-adopted international accounting standards ”.

##### Commencement Information

**I2** Sch. 1 para. 2 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

#### Duty to keep accounting records

3. In section 386(2)(c) and (5), omit “(and, where applicable, of Article 4 of the IAS Regulation)”.

##### Commencement Information

**I3** Sch. 1 para. 3 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

#### Where and for how long records to be kept

4. In section 388(3)(b), omit “(and, where applicable, of Article 4 of the IAS Regulation)”.

##### Commencement Information

**I4** Sch. 1 para. 4 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

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### Individual accounts: exemption for dormant subsidiaries

5. In section 394A(2)(c)(ii) <sup>M2</sup>, for “international accounting standards” substitute “UK-adopted international accounting standards”.

#### Commencement Information

**I5** Sch. 1 para. 5 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

#### Marginal Citations

**M2** Section 394A was inserted by [S.I. 2012/2301](#).

### Individual accounts: applicable accounting framework

6. In section 395(1)(b) and (3) <sup>M3</sup>, for “international accounting standards” substitute “UK-adopted international accounting standards”.

#### Commencement Information

**I6** Sch. 1 para. 6 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

#### Marginal Citations

**M3** Section 395(3) was amended by [S.I. 2012/2301](#).

### IAS individual accounts

7. In section 397(2) <sup>M4</sup>, for “international accounting standards” substitute “UK-adopted international accounting standards”.

#### Commencement Information

**I7** Sch. 1 para. 7 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

#### Marginal Citations

**M4** Section 397 was substituted by [S.I. 2015/980](#).

### Exemption for company included in EEA group accounts of larger group

8. In section 400(2)(b)(ii), for “international accounting standards” substitute “UK-adopted international accounting standards”.

#### Commencement Information

**I8** Sch. 1 para. 8 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see reg. 1(2)

### Exemption for company included in non-EEA group accounts of larger group

9. In section 401(2)(b)(iii) <sup>M5</sup>, for “international accounting standards adopted pursuant to the IAS Regulation” substitute “UK-adopted international accounting standards”.

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**Commencement Information**

**I9** Sch. 1 para. 9 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

**Marginal Citations**

**M5** Section 401(2)(b) was substituted by [S.I. 2015/980](#).

**Group accounts: applicable accounting framework**

**10.** In section 403 <sup>M6</sup>—

(a) for subsection (1) substitute—

“(1) The group accounts of a parent company whose securities are, on its balance sheet date, admitted to trading on a UK regulated market must be prepared in accordance with UK-adopted international accounting standards (“IAS group accounts”).”;

(b) in subsections (2)(b) and (4), for “international accounting standards” substitute “UK-adopted international accounting standards”.

**Commencement Information**

**I10** Sch. 1 para. 10 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

**Marginal Citations**

**M6** Section 403(4) was amended by [S.I. 2012/2301](#).

**IAS group accounts**

**11.** In section 406(2) <sup>M7</sup>, for “international accounting standards” substitute “UK-adopted international accounting standards”.

**Commencement Information**

**I11** Sch. 1 para. 11 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

**Marginal Citations**

**M7** Section 406 was substituted by [S.I. 2015/980](#).

**Approval and signing of accounts**

**12.** In section 414(4), omit “(and, where applicable, of Article 4 of the IAS Regulation)”.

**Commencement Information**

**I12** Sch. 1 para. 12 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

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### Dormant subsidiaries exempt from obligation to file accounts

**13.** In section 448A(2)(c)(ii)<sup>M8</sup>, for “international accounting standards” substitute “UK-adopted international accounting standards”.

#### Commencement Information

**I13** Sch. 1 para. 13 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

#### Marginal Citations

**M8** Section 448A was inserted by [S.I. 2012/2301](#). There are no relevant amendments.

### Voluntary revision of accounts etc.

**14.** In section 454(1)<sup>M9</sup> and (2)(a), omit “(or, where applicable, of Article 4 of the IAS Regulation)”.

#### Commencement Information

**I14** Sch. 1 para. 14 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

#### Marginal Citations

**M9** Section 454(1) was amended by [S.I. 2013/1970](#).

### Secretary of State's notice in respect of accounts or reports

**15.** In section 455(1)<sup>M10</sup> and (4)(b), omit “(or, where applicable, of Article 4 of the IAS Regulation)”.

#### Commencement Information

**I15** Sch. 1 para. 15 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

#### Marginal Citations

**M10** Section 455(1) was amended by [S.I. 2013/1970](#).

### Application to court in respect of defective accounts or reports

**16.** In section 456(1)<sup>M11</sup>, (5) and (6), omit “(or, where applicable, of Article 4 of the IAS Regulation)”.

#### Commencement Information

**I16** Sch. 1 para. 16 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

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**Marginal Citations**

**M11** Section 456(1) was amended by [S.I. 2013/1970](#).

**Other persons authorised to apply to the court**

**17.** In section 457(1)(a) <sup>M12</sup>, omit “(or, where applicable, of Article 4 of the IAS Regulation)”.

**Commencement Information**

**I17** Sch. 1 para. 17 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

**Marginal Citations**

**M12** Section 457(1)(a) was amended by [S.I. 2013/1970](#).

**Power of authorised person to require documents, information and explanations**

**18.** In section 459(1) <sup>M13</sup>, omit “(or, where applicable, of Article 4 of the IAS Regulation)”.

**Commencement Information**

**I18** Sch. 1 para. 18 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

**Marginal Citations**

**M13** Section 459(1) was amended by [S.I. 2013/1970](#).

**Companies qualifying as medium-sized: parent companies**

**19.** In section 466(6), for “international accounting standards” substitute “ UK-adopted international accounting standards ”.

**Commencement Information**

**I19** Sch. 1 para. 19 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

**Notes to the accounts**

**20.** In section 472(2), for “international accounting standards” substitute “ UK-adopted international accounting standards ”.

**Commencement Information**

**I20** Sch. 1 para. 20 in force on IP completion day (in accordance with [2020 c. 1, Sch. 5 para. 1\(1\)](#)), see [reg. 1\(2\)](#)

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## Minor definitions

21. In section 474(1) <sup>M14</sup>—

- (a) omit the definition of “IAS Regulation”;
- (b) in the definition of “international accounting standards”, for “the IAS Regulation, adopted from time to time by the European Commission in accordance with that Regulation” substitute “ Article 2 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards ”;
- (c) in the definition of “profit and loss account”, for “international accounting standards” substitute “ UK-adopted international accounting standards ”;
- (d) after the definition of “UCITS management company” insert—

““UK-adopted international accounting standards” means the international accounting standards which are adopted for use within the United Kingdom by virtue of Chapter 2 or 3 of Part 2 of the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019.”.

### Commencement Information

**I21** Sch. 1 para. 21 in force on IP completion day (in accordance with 2020 c. 1, Sch. 5 para. 1(1)), see reg. 1(2)

### Marginal Citations

**M14** There are amendments to section 474(1) but none is relevant.

## Subsidiary companies: conditions for exemption from audit

22. In section 479A(2)(c)(ii) <sup>M15</sup>, for “international accounting standards” substitute “ UK-adopted international accounting standards (within the meaning given by section 474(1)) ”.

### Commencement Information

**I22** Sch. 1 para. 22 in force on IP completion day (in accordance with 2020 c. 1, Sch. 5 para. 1(1)), see reg. 1(2)

### Marginal Citations

**M15** Section 479A was inserted by S.I. 2012/2301. There are no relevant amendments.

## Auditor's report on company's annual accounts

23. In section 495(3)(c), omit “(and, where applicable, Article 4 of the IAS Regulation)”.

### Commencement Information

**I23** Sch. 1 para. 23 in force on IP completion day (in accordance with 2020 c. 1, Sch. 5 para. 1(1)), see reg. 1(2)

## Supplementary accounting statement (merger)

24. In section 910(3), omit “(and where relevant Article 4 of the IAS Regulation)”.

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**Commencement Information**

**I24** Sch. 1 para. 24 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

**Supplementary accounting statement (division)**

**25.** In section 925(3), omit “(and where relevant Article 4 of the IAS Regulation)”.

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**Commencement Information**

**I25** Sch. 1 para. 25 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

**Index of defined expressions**

**26.** In Schedule 8, in the index of defined expressions—

- (a) omit the entry for “IAS Regulation (in Part 15)”;
- (b) after the entry for “UCITS management company”, insert—

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“UK-adopted international accounting section 474(1)” standards (in Part 15)

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**Commencement Information**

**I26** Sch. 1 para. 26 in force on IP completion day (in accordance with 2020 c. 1, **Sch. 5 para. 1(1)**), see [reg. 1\(2\)](#)

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