



Companies Act 1989

1989 CHAPTER 40

PART I

COMPANY ACCOUNTS

Provisions applying to companies generally

4 Individual company accounts

(1) The following section is inserted in Part VII of the Companies Act 1985—

“Annual accounts

226 Duty to prepare individual company accounts

- (1) The directors of every company shall prepare for each financial year of the company—
- a balance sheet as at the last day of the year, and
 - a profit and loss account.

Those accounts are referred to in this Part as the company’s “individual accounts”.

- (2) The balance sheet shall give a true and fair view of the state of affairs of the company as at the end of the financial year; and the profit and loss account shall give a true and fair view of the profit or loss of the company for the financial year.
- (3) A company’s individual accounts shall comply with the provisions of Schedule 4 as to the form and content of the balance sheet and profit and loss account and additional information to be provided by way of notes to the accounts.

Status: This is the original version (as it was originally enacted).

- (4) Where compliance with the provisions of that Schedule, and the other provisions of this Act as to the matters to be included in a company's individual accounts or in notes to those accounts, would not be sufficient to give a true and fair view, the necessary additional information shall be given in the accounts or in a note to them.
- (5) If in special circumstances compliance with any of those provisions is inconsistent with the requirement to give a true and fair view, the directors shall depart from that provision to the extent necessary to give a true and fair view.

Particulars of any such departure, the reasons for it and its effect shall be given in a note to the accounts.”.

- (2) Schedule 4 to the Companies Act 1985 (form and content of company accounts) is amended in accordance with Schedule 1 to this Act.