Companies Act 2006

2006 CHAPTER 46

PART 15

ACCOUNTS AND REPORTS

CHAPTER 4

ANNUAL ACCOUNTS

Information to be given in notes to the accounts

411 Information about employee numbers and costs

(1) The notes to a company’s annual accounts must disclose the average number of persons employed by the company in the financial year.

(1A) In the case of a company not subject to the small companies regime, the notes to the company’s accounts must also disclose the average number of persons within each category of persons so employed.

(2) The categories by reference to which the number required to be disclosed by subsection (1A) is to be determined must be such as the directors may select having regard to the manner in which the company's activities are organised.

(3) The average number required by subsection (1) or (1A) is determined by dividing the relevant annual number by the number of months in the financial year.

(4) The relevant annual number is determined by ascertaining for each month in the financial year—

(a) for the purposes of subsection (1), the number of persons employed under contracts of service by the company in that month (whether throughout the month or not);

(b) for the purposes of subsection (1A), the number of persons in the category in question of persons so employed;
and adding together all the monthly numbers.

[F6(5) Except in the case of a company subject to the small companies regime, the notes
to the company’s annual accounts or the profit and loss account must disclose, with
reference to all persons employed by the company during the financial year, the total
staff costs of the company relating to the financial year broken down between—
(a) wages and salaries paid or payable in respect of that year to those persons,
(b) social security costs incurred by the company on their behalf, and
(c) other pension costs so incurred.]

(6) In subsection (5)—
“pension costs” includes any costs incurred by the company in respect of—
(a) any pension scheme established for the purpose of providing pensions
for persons currently or formerly employed by the company,
(b) any sums set aside for the future payment of pensions directly by the
company to current or former employees, and
(c) any pensions paid directly to such persons without having first been set
aside;
“social security costs” means any contributions by the company to any state
social security or pension scheme, fund or arrangement.

[F7(7) This section applies in relation to group accounts as if the undertakings included in
the consolidation were a single company.]

### Textual Amendments

**F1** S. 411(1)(1A) substituted for s. 411(1) (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), 5(15)(a) (with reg. 3)

**F2** Words in s. 411(2) 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), 5(15)(b) (with reg. 3)

**F3** Words in s. 411(3) 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), 5(15)(c) (with reg. 3)

**F4** Words in s. 411(4)(a) 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), 5(15)(d)(i) (with reg. 3)

**F5** Words in s. 411(4)(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), 5(15)(d)(ii) (with reg. 3)

**F6** S. 411(5) 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), 5(15)(e) (with reg. 3)

**F7** S. 411(7) substituted (6.4.2008) by The Companies Act 2006 (Amendment) (Accounts and Reports) Regulations 2008 (S.I. 2008/393), reg. 11

### Modifications etc. (not altering text)

**C1** Ss. 409-411 applied (with modifications) (1.10.2008) by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (S.I. 2008/1911), reg. 11 (as amended (with effect in accordance with reg. 2(2)-(5) of the amending S.I.) by The Limited Liability
Changes to legislation: Companies Act 2006, Section 411 is up to date with all changes known to be in force on or before 02 November 2019. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Partnerships, Partnerships and Groups (Accounts and Audit) Regulations 2016 (S.I. 2016/575), regs. 2(1), 10

C2 Ss. 380-416 applied (with modifications) (1.10.2009) by The Unregistered Companies Regulations 2009 (S.I. 2009/2436), regs. 3-5, Sch. 1 para. 10 (with transitional provisions and savings in regs. 7, 9, Sch. 2)

C3 Ss. 380-414 applied (with modifications) (1.10.2009) by S.I. 2009/2436, regs. 3-5, Sch 1 para. 10 (with reg. 7, Sch. 2) (and the said Sch. 1 para. 10 is amended (with application in accordance with reg. 1(3) of the amending S.I.) by The Unregistered Companies (Amendment) Regulations 2013 (S.I. 2013/1972), regs. 1(2), 2(2)(a))
Changes to legislation:
Companies Act 2006, Section 411 is up to date with all changes known to be in force on or before 02 November 2019. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.
View outstanding changes

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by S.I. 2013/1971 reg. 9(a) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by S.I. 2013/1971 reg. 4 (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):
- Pt. 42 Ch. 4A inserted by S.I. 2019/177 reg. 14 (This S.I. is amended by S.I. 2019/1392, reg. 3)
- Ch. 1 Pt. 28 extended (Isle of Man) (with modifications) by S.I. 2019/567 Sch.
- s. 156A-156C inserted by 2019/348 Sch. 1 para. 13
- s. 943(1A) inserted by S.I. 2019/217 reg. 3(b)
- s. 966(3)-(3G) substituted for s. 966(3) by S.I. 2019/217 reg. 7(4)
- s. 1047(4)(ba) inserted by S.I. 2019/348 Sch. 1 para. 14(b)(ii)
- s. 1099(3)(c)(ca) substituted for s. 1099(3)(c) by S.I. 2018/1299 reg. 62(2)
- s. 1253B(1A) inserted by S.I. 2019/177 reg. 18(c)
- s. 1286(1)(e) inserted by S.I. 2018/1299 reg. 62(3)(c)
- Sch 1C applied by 2009/2436 Sch. 1 para 14(A1) (as inserted) by S.I. 2019/217 reg. 20
- Sch 2 Pt. 2 s. Epara. 5 omitted by S.I. 2019/217 reg. 15
- Sch. 10 para. 20A(1) Sch. 10 para. 20A renumbered as Sch. 10 para. 20A(1) by S.I. 2019/177 reg. 32(a)
- Sch. 10 para. 6(2D) inserted by S.I. 2019/177 reg. 28(e)
- Sch. 10 para. 7(2A) inserted by S.I. 2019/177 reg. 29(b)
- Sch. 10 para. 20A(2) inserted by S.I. 2019/177 reg. 32(h)
- Sch. 10 para. 13(5)(b)(ii)(iii) substituted for Sch. 10 para. 13(5)(b)(ii) by S.I. 2019/177 reg. 30(b)
- Sch. 10 para. 20A(1) words inserted by S.I. 2019/177 reg. 32(b)
- Sch. 10 para. 20A(1) words inserted by S.I. 2019/177 reg. 32(c)
- Sch. 10 para. 20A(1) words omitted by S.I. 2019/177 reg. 32(e)
- Sch. 10 para. 20A(1) words omitted by S.I. 2019/177 reg. 32(g)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(d)(ii)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(d)(ii)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(i)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(i)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(ii)
- Sch. 10 para. 20A(1) words substituted by S.I. 2019/177 reg. 32(f)(ii)
- Sch. 11 para. 9(5) inserted by S.I. 2019/177 reg. 34(b)