
Changes to legislation: There are currently no known outstanding effects for the Finance (No. 2) Act 2015.
Cross Heading: Commencement: sections 321, 349 and 605 of CTA 2009. (See end of Document for details)

SCHEDULES

SCHEDULE 7

LOAN RELATIONSHIPS AND DERIVATIVE CONTRACTS

PART 6

COMMENCEMENT AND TRANSITIONAL PROVISIONS

Commencement: sections 321, 349 and 605 of CTA 2009

- 106 (1) Paragraphs 15 and 28 have effect in relation to loan relationships entered into by a company in an accounting period beginning on or after 1 January 2016.
- (2) Paragraph 67 has effect in relation to derivative contracts entered into by a company in an accounting period beginning on or after 1 January 2016.
- (3) In relation to loan relationships entered into by a company in an accounting period beginning before 1 January 2016, sub-paragraphs (4) to (6) apply in relation to accounting periods beginning on or after that date.
- (4) The reference in section 321(1)(b) of CTA 2009 to recognition in any of the statements mentioned in section 308(1) of that Act is to be read in relation to the company as a reference to recognition in the company's accounts for the period as an item of profit or loss or as an item of other comprehensive income.
- (5) But section 321 does not bring into account for the purposes of Part 5 of CTA 2009 any exchange gain or loss of the company so far as it is recognised in the company's statement of total recognised gains and losses, statement of recognised income and expense, statement of changes in equity or statement of income and retained earnings.
- (6) The reference in section 349 of CTA 2009 to an amortised cost basis of accounting is to be read in relation to the company without regard to the amendment of section 313(4) of that Act made by paragraph 7(5).
- (7) In relation to derivative contracts entered into by a company in an accounting period beginning before 1 January 2016, sub-paragraphs (8) and (9) apply in relation to accounting periods beginning on or after that date.
- (8) The reference in section 605(1)(b) of CTA 2009 to recognition in any of the statements mentioned in section 597(1) of that Act is to be read in relation to the company as a reference to recognition in the company's accounts for the period as an item of profit or loss or as an item of other comprehensive income.
- (9) But section 605 does not bring into account for the purposes of Part 7 of CTA 2009 any exchange gain or loss of the company so far as it is recognised in the company's statement of total recognised gains and losses, statement of recognised income and expense, statement of changes in equity or statement of income and retained earnings.

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- (10) In this paragraph “item of profit and loss” and “item of other comprehensive income” each has the meaning that it has for accounting purposes.

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