

1976 No. 1172

COUNTER-INFLATION

**The Counter-Inflation (Prices and Charges) (Information)
Order 1976***Made - - - - 26th July 1976**Coming into Operation 1st August 1976*

The Secretary of State, in exercise of powers conferred on her by section 15 of the Counter-Inflation Act 1973(a) as amended(b) and of all other powers enabling her in that behalf, hereby makes the following Order:—

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Counter-Inflation (Prices and Charges) (Information) Order 1976 and shall come into operation on 1st August 1976.

(2) In this Order—

“the Act” means the Counter-Inflation Act 1973;

“bank, finance house or similar enterprise” means a person (other than a building society incorporated under the Building Societies Act 1962(c) or under the enactments repealed by that Act) whose ordinary business includes the business of banking, the business of lending money, the letting of goods under hire purchase agreements, or the selling of goods under conditional sale agreements;

“base period” has the meaning assigned to it in article 3(6);

“coal or steel undertaking” means an undertaking as defined in article 80 of the Treaty establishing the European Coal and Steel Community, signed at Paris on 18th April 1951, otherwise than for the special purposes therein mentioned;

“the code” except where the context otherwise requires, means the code for the time being contained in an order (d) under section 2 of the Act;

“the 1974 code” means the code contained in the Counter-Inflation (Price Code) Order 1974(e) as amended(f);

“distributor” means a person who carries on in the course of business activities falling within Order XXIII (other than the wholesale slaughtering of animals for human consumption, leasing industrial or office machinery, the hiring of furniture, radio and television sets and other domestic appliances or the activities of bakers or processors of scrap iron, scrap steel and non-ferrous scrap metals) or falling within minimum list heading 894 of Order XXVI (other than the repairing of motor vehicles) of the Standard Industrial Classification;

(a) 1973 c. 9.

(c) 1962 c. 37.

(e) S.I. 1974/2113 (1974 III, p. 8253).

(f) S.I. 1974/2158; 1975/864, 1293; 1976/71, 630 (1974 III, p. 8441; 1975 II, pp. 3072, 4400; 1976 I, pp. 244, 1777).

(b) S.I. 1974/1218 (1974 II, p. 4631).

(d) See S.I. 1976/1170 (1976 II, p. 3226).

“gross percentage margin” has the same meaning as it has in and for the purposes of the code;

“local authority” means, in England and Wales, a county council, the Greater London Council, the Common Council of the City of London, a district council or a London borough council and, in Scotland, a regional council, an islands council and a district council;

“manufacturer” means a person who carries on in the course of business activities falling within Orders II, III (other than the quick freezing of meat, poultry or fish, the curing of bacon or ham and the preparation of oven ready poultry), IV to XIX, XXI (other than minimum list heading 603) and XXII (other than travel ticket agents) of the Standard Industrial Classification, bakers and processors of scrap iron, scrap steel and non-ferrous scrap metals;

“net profit margin” has the same meaning as it has in and for the purposes of the code;

“the notification order” means the Counter-Inflation (Notification of Increases in Prices and Charges) Order 1976(a);

“provider of construction services” means a person who carries on in the course of business activities falling within Order XX of the Standard Industrial Classification (other than the hiring of contractors’ plant and scaffolding);

“provider of professional services” means a person who carries on in the course of business activities falling within Order XXV (other than the provision of school meals) of the Standard Industrial Classification or the activity of a house or estate agent;

“provider of services” means a person who carries on in the course of business activities falling within minimum list headings 864 and 865 of Order XXIV or within Order XXVI (other than minimum list heading 894) of the Standard Industrial Classification or the hiring of furniture, radio and television sets and other domestic appliances, or the hiring of contractors’ plant and scaffolding or the leasing of industrial and office machinery or the repairing of motor vehicles or the activities of a travel ticket agent;

“the Standard Industrial Classification” means the edition thereof together with the alphabetical list of industries published in 1968 by Her Majesty’s Stationery Office as amended by Amendment List No. 1 published by Her Majesty’s Stationery Office in 1970;

“water authority” includes a statutory water company and, in the Isles of Scilly only, a local authority and, in Scotland, a water authority within the meaning of section 148 of the Local Government (Scotland) Act 1973(b).

(3) Paragraphs (2) to (4) and, except in relation to providers of construction services, paragraph (5) of article 4 and article 5 of the notification order shall have effect for ascertaining for the purposes of this Order whether a price or charge represents an increase.

(4) Where a person satisfies more than one of the definitions of the following expressions contained in paragraph (2) above, that is to say, “bank, finance house or similar enterprise”, “distributor”, “manufacturer”, “provider of construction services”, “provider of professional services” and “provider of services”, the provisions of this Order shall apply to him in relation to each of the expressions he satisfies.

(5) Paragraph 2(1) of Schedule 3 to the Act (which relates to the identification of two or more different persons) shall apply for the purposes of this Order as

(a) S.I. 1976/1171(1976 II, p. 3280).

(b) 1973 c. 65.

it applies for the purposes of sections 5 and 6 of the Act, but in relation to articles 4, 6 to 13 and 15 only so as to require a person to furnish returns or to keep records relating to the activities which he himself carries on: Provided that any of the several persons who are by virtue of this paragraph to be treated as one may furnish returns or keep records on behalf of any other such person.

(6) Nothing in this Order applies to any person who is a body established for religious, charitable, educational, representational or recreational purposes, which is non-profit making and does not carry on a trade or business as its main activity.

(7) The Interpretation Act 1889(a) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament and as if this Order and the Orders hereby revoked were Acts of Parliament.

Revocation and saving

2.—(1) The orders set out in Schedule 1 to this Order are hereby revoked.

(2) Anything done or required to be done under the Orders hereby revoked before the commencement of this Order shall, for the purposes of this Order, be treated as if it had been done or required to be done under this Order.

Ascertainment of sales for determining application of articles 4 and 15

3.—(1) This article shall have effect only for the purpose of ascertaining whether article 4 or 15 applies to a person.

(2) Subject to paragraphs (3), (4) and (5) of this article, there shall be taken into account in determining sales in relation to goods the total amount (excluding excise duties) of prices charged for their sale in the course of business in the base period and, in relation to services of all descriptions, the total amount of charges made in the base period for their performance, there being left out of account, in either case, trade discounts, rebates and other allowances.

(3) There shall be left out of account—

- (a) any price or charge to which by virtue of paragraph 1 of Schedule 3 to the notification order that Order does not apply and, in the case of transport, charges for carriage between terminals of which one or both are outside the United Kingdom and charges for carriage between points in the United Kingdom where the tariff applicable to those charges is one for the whole of the first mentioned carriage;
- (b) in the case of a person who is a manufacturer, the price for the sale of goods manufactured by another person;
- (c) in the case of a person who is a manufacturer, distributor, provider of services, provider of construction services or provider of professional services, the price for the sale of goods or the charge for the performance of services in the course of any activity not mentioned in the respective definitions of those expressions in article 1(2); and
- (d) in the case of a person who has ceased to carry on an activity in the course of business since the beginning of the base period, any price or charge in respect of that activity.

(4) There shall also be left out of account car tax payable by the person in question and value added tax which is, under Part I of the Finance Act 1972(a), chargeable by the person in question on the supply by him of goods and services (including goods and services specified in an order under section 6 of that Act) other than on the supply of any goods of which the price, or any services for which the charge, is under paragraph (3) above to be left out of account.

(5) Where a person has not carried on an activity in the course of business throughout the whole of the base period—

(a) in the case of a person who commenced to carry on that activity in the course of business (not being an activity to which sub-paragraph (b) of this paragraph applies) in the base period, the amounts determined under this article apart from this paragraph shall be increased by the proportion which 12 months bears to the period falling within the base period during which he so carried on that activity;

(b) in the case of a person who commenced to carry on that activity in the base period in succession to another person (whether upon purchase, amalgamation or reconstruction, or otherwise) the amounts determined under this article apart from this paragraph both in respect of the person and of that other person shall be aggregated and—

(i) if the aggregate of the periods during which the person and that other person carried on that activity during the base period exceeds 12 months, the aggregated amounts shall be reduced; or

(ii) if the aggregate of those periods is less than 12 months, the aggregated amounts shall be increased,

by the proportion which 12 months bears to the aggregate of those periods;

(c) in the case of a person who commenced to carry on an activity after the end of the base period in succession to another person (whether upon purchase, amalgamation or reconstruction, or otherwise) this article shall apply to the person as it would have applied to that other person had he carried on no other activity in the course of business in the base period.

(6) In this Order, “base period” in relation to any person means his latest completed year of account; and the amounts referred to in paragraph (2) above shall, where the accounting period is longer than 12 months, be reduced or, where the accounting period is shorter than 12 months, be increased by the proportion which 12 months bears to the length of the accounting period.

(7) In ascertaining the amount of sales in relation to any person, whether as a distributor, a manufacturer, a provider of construction services, a provider of professional services or a provider of services, account shall be taken of all transactions effected by the persons (of whom he is one) who are, under article 1(5), to be treated as one, including any transaction between such persons except where both parties to the transaction are acting as distributors, manufacturers, providers of construction services, providers of professional services or providers of services, as the case may be.

Obligation to furnish periodical returns

4. Subject to article 17, each person, not being a local authority or a water authority—

(a) who is a manufacturer and has sales exceeding £10,000,000;

(a) 1972 c. 41.

- (b) who is a distributor and has sales exceeding £15,000,000;
 - (c) who is a provider of services and has sales exceeding £7,500,000;
 - (d) who is a provider of construction services and has sales exceeding £7,500,000;
 - (e) who is a provider of professional services and has sales exceeding £750,000; or
 - (f) who is a bank, finance house, or similar enterprise and had on 30th March 1973 gross sterling deposits exceeding £200,000,000 or, in the case of one or more companies which are banks, finance houses or similar enterprises and are controlled by the same person, together with that person, had on that date gross sterling deposits exceeding that amount;
- shall furnish to the Commission returns in accordance with article 5 relating to each activity carried on by him in the course of business being an activity referred to in the relevant definition in article 1(2).

Time for and contents of returns under article 4

5.—(1) Returns under article 4 (reconcilable with annual accounts)—

- (a) may be related to management accounting periods but shall not be less than 4 nor more than 5 in number in each year and all, or all but one, of them shall relate to periods of approximately the same length not being less than 12 weeks save that, for the purposes of paragraphs 2, 5 and 10 of Schedule 2, the returns shall relate to an exact 12 month period or to the periods mentioned in paragraph 80(4) of the code;
 - (b) shall relate to all times after 28th April 1973;
- and each return shall be furnished to the Commission within 42 days after the end of the period to which it relates.

(2) No return shall be required to be furnished in relation to any period of 12 weeks during the whole of which article 4 does not apply to the person in question, or in respect of any matter of which particulars have not changed since the preceding return.

(3) A return under article 4—

- (a) shall specify the period to which it relates and shall contain particulars of the matters specified in Part I of Schedule 2 to this Order:
Provided that a return shall not contain particulars, pursuant to paragraph 8 of that Schedule, of any settlement relating to remuneration where the settlement does not apply to more than 100 employees as defined in sub-paragraph (3) of that paragraph; and
- (b) shall contain a declaration in the form and containing the particulars specified in Part II of Schedule 2 to the Order signed by the person or one of the persons required to make the return or, in the case of a body corporate, by an officer of the body corporate.

Special returns relating to investment relief

6. Where paragraph 98 (investment relief) of the code is to be applied by a person referred to in article 4, he shall furnish to the Commission a return giving particulars of the matters specified in paragraphs 1, 2, 5, 11 and 12 of Schedule 2.

7. Where paragraph 98 of the code has been applied by a person referred to in article 4, he shall within 42 days after the first 6 months of the relief year and after the second 6 months of that year furnish to the Commission a return

containing particulars of the matters specified in paragraphs 1, 2, 5, 13 and 14 of the Schedule.

8.—(1) A return under article 6 or 7 shall be made in respect of each unit for profit margin control determined under paragraph 84 of the code in which paragraph 98 of the code is to be or has been applied.

(2) In article 7, “the relief year” and in paragraphs 9 to 12 of Schedule 2, “expenditure on investment”, “the investment year”, “the relief year”, “relevant expenditure” and “turnover” have the meanings assigned to them respectively in paragraphs 96 and 97 of the code.

Special returns relating to investment relief under the 1974 code

9.—(1) In a case where relief has been obtained under paragraph 79 or 79A of the 1974 code, articles 6, 7 and 8(1) and paragraphs 11, 12 and 13 of Schedule 2 have effect.

(2) For the purposes of sub-paragraph (1) of this article, references to “the investment year”, “the relief year” and “turnover” are references to those expressions as defined in paragraph 79 or 79A, as the case may be, of the 1974 code and references to “expenditure on investment” and “relevant expenditure” shall be construed in accordance with paragraph 99(2) of the code.

(3) Where a person has before 1st August 1976 furnished particulars to the Commission under article 6 of the Counter-Inflation (Prices and Charges) (Information) Order 1974(a), and, by reason of paragraph 97(3) of the code, particulars of any matter specified in paragraph 11 of Schedule 2 fall to be modified, he shall, before he applies the first-mentioned paragraph, furnish to the Commission a return giving modified particulars of that matter.

Special returns relating to small increases

10.—(1) A person who implements an increased price for the sale of goods or an increased charge for the performance of services which he would but for the proviso to article 6(1) of the notification order be required to notify to the Commission under that order shall, not later than 14 days after he implements the increased price or charge, furnish to the Commission a return containing particulars of the matters referred to in paragraph (2).

(2) The matters mentioned in paragraph (1) are—

- (a) those specified in paragraphs 1, 2 and 8 of Schedule 4 to the notification order;
- (b) the price or charge to which the return relates;
- (c) the increase in the price or charge;
- (d) in respect of goods or services—
 - (i) within head (i) of the proviso to article 6(1) of the notification order, the latest price or charge before 1st August 1976;
 - (ii) within head (ii) of that proviso, the average price (weighted by value of sales in a period of not less than 12 weeks ending not more than 14 weeks before 1st August 1976); and
- (e) a statement that it appears to the person required to furnish the return that the increase conforms with the relevant provisions of the code.

(a) S.I. 1974/2115 (1974 III, p. 8306).

Increases in food prices

11. A person who implements an increased price for the sale of any food or food product which he would, but for the provisions of paragraph (5)(b) of article 4 (meaning of increased price) of the notification order, be required to notify to the Commission under that order shall, not later than seven days after he implements the increased price, furnish to the Commission a return containing the same particulars as he would be required to notify to the Commission under the notification order if the said paragraph (5)(b) were omitted; and Schedule 4 to the notification order shall have effect accordingly.

12. A person who before 30th August 1976 implements an increased price for the sale of any potato product which he would, but for the provisions of paragraph 4 of Schedule 3 (exemption of prices of certain potato products from obligation to notify proposed price increases to the Commission) to the notification order, be required to notify to the Commission under that order shall, not later than fourteen days after he implements the increased price, furnish to the Commission a return containing the same particulars as he would be required to notify to the Commission under the notification order if the said paragraph 4 were omitted; and Schedule 4 to the notification order shall have effect accordingly.

13. A person who implements an increased price for the sale of sausages or meat pies, as respectively defined in the Sausage and Other Meat Product Regulations 1967(a), which he would, but for the provisions of paragraph 8 of Schedule 3 (exemption of prices of sausages or meat pies from obligation to notify proposed price increases to the Commission) to the notification order, be required to notify to the Commission under that order shall, not later than the date on which he implements the increased price, furnish to the Commission a return containing the same particulars as he would be required to notify to the Commission under the notification order if the said paragraph 8 were omitted; and Schedule 4 to the notification order shall have effect accordingly.

Provisions supplementary to articles 6, 7 and 9 to 13

14. A return under any of articles 6, 7 or 9 to 13—

- (a) shall be in writing signed by the person or one of the persons required to make the return or his authorised agent or, in the case of a body corporate, signed by an officer of the body corporate making the return;
- (b) shall contain a declaration that to the best of the knowledge, information and belief of the person signing the return, the particulars stated in it are correct and complete; and
- (c) shall be dated.

Obligation to keep records

15. Subject to article 17 each person (other than a person referred to in article 4)—

- (a) who is a manufacturer and has sales exceeding £2,000,000;
- (b) who is a distributor and has sales exceeding £500,000;
- (c) who is a provider of services and has sales exceeding £500,000;
- (d) who is a provider of construction services and has sales exceeding £2,000,000;
- (e) who is a provider of professional services and has sales exceeding £200,000;

(a) S.I. 1967/862 (1967 II, p. 2583).

- (f) who is a bank, finance house or similar enterprise and on 30th March 1973 had outstanding lending balances owed to him and balances outstanding under hire purchase or conditional sale agreements, repayable or payable in sterling, exceeding in total £10,000,000 or, in the case of one or more companies which are banks, finance houses or similar enterprises and are controlled by the same person, together with that person, had such balances exceeding in total £10,000,000;
- (g) which is a local authority; or
- (h) which is a water authority and has sales exceeding £1,000,000 and not exceeding £7,500,000;

shall keep the records specified in article 16.

16.—(1) The records referred to in article 15 are records of the particulars specified in Part I of Schedule 2, but those records may be comprised in or combined with other records from which those particulars may readily be derived.

(2) The records referred to in article 15 shall be maintained by a person (other than a local authority and a water authority) in respect of the whole of the period commencing on 29th April 1973.

Provisions supplemental to articles 4 and 15

17.—(1) Unless the Commission so request, a return under article 4 or a record under article 15 shall not contain—

- (a) in the case of a person referred to in paragraphs (a) or (c) to (f) of article 4 or in paragraphs (a) or (c) to (h) of article 15 particulars relating to any goods or services in respect of which no notice of an intended increased price or charge is, by virtue of Schedule 3 (except paragraph 18(c)) to the notification order, required to be given to the Commission or relating to the provision of accommodation in aircraft;
 - (b) in the case of any person, any particulars (other than those referred to in paragraph 1(1) of Schedule 2) which have been contained in a previous return under this Order or any earlier order under section 15 of the Act, a notification of an intended increased price or charge under the notification order or any earlier order under section 5 of the Act, a proposal under an Order(a) under paragraph 1 of Schedule 2 to the Act, or any particulars which have been furnished to the Commission pursuant to a notice under section 15(1) of the Act.
- (2) A return under article 4 shall indicate which amounts (if any) contained in it are estimated amounts and a corrected amount shall be contained in the first return required to be made after corrected accounts are prepared or, where no such return is required to be made, shall be furnished in a special return within 21 days after those accounts are prepared.

26th July 1976.

Shirley Williams,
Secretary of State
for Prices and Consumer Protection.

(a) See S.I. 1973/784 (1973 I, p. 2492) (revoked).

SCHEDULE 1

(Article 2(1))

Orders revoked	References
The Counter-Inflation (Prices and Charges) (Information) Order 1974	S.I. 1974/2115 (1974 III, p. 8306).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) Order 1975	S.I. 1975/865 (1975 II, p. 3075).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) (No. 2) Order 1975	S.I. 1975/1295 (1975 II, p. 4406).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) (No. 3) Order 1975	S.I. 1975/1948 (1975 III, p. 7242).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) (No. 4) Order 1975	S.I. 1975/2209 (1975 III, p. 8310).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) Order 1976	S.I. 1976/72 (1976 I, p. 251).
The Counter-Inflation (Prices and Charges) (Information) (Amendment) (No. 2) Order 1976	S.I. 1976/497 (1976 I, p. 1464).

SCHEDULE 2

(Articles 5(3)(a) and 16(1))

PART I

PERIODICAL RETURNS AND RECORDS

Paragraphs 1(2) to (4), 2, 5, 7 and 9 to 16 do not apply to water authorities.

In this Schedule

(a) "indirect taxes" means

(i) customs and excise duties;

(ii) value added tax which is, under Part I of the Finance Act 1972(a) chargeable to or by (as the case may be) the person required to make the return or to keep the record; and

(iii) car tax; and

(b) "change" means any increase (including a change from a nil amount) and any decrease taking effect, in either case, after 25th March 1974.

Persons required to furnish the return or to keep the record

1.—(1) The name of the person required to furnish the return or to keep the record, his address or, in the case of a body corporate, its registered or principal office in the United Kingdom, and the address for service of notices by the Commission, if different.

(2) In the case of a company which is controlled by any person, his name and the names of all other companies controlled by him and carrying on business in the United Kingdom.

(3) In the case of a company, any change in its structure or in the identity of any company controlled by the same person (including any such change since the period to which the reference level relates).

(4) Except in the case of a local authority, the unit for profit margin control, determined in accordance with the code, to which the return or record relates; and its title and address.

Gross percentage margin

2.—(1) In the case of a distributor, particulars of the level of the gross percentage margin ascertained under paragraphs 107 and 109 of the code.

(a) 1972 c. 41.

(2) The gross percentage margin as a distributor of the person required to make the return or to keep the record, the total value of sales to which it relates and—

- (a) in respect of the total value of sales, particulars of the amount of, and of any change in, indirect taxes comprised in that value and charged to or assessed on him; and
- (b) in respect of the amount, employed in the calculation of the gross percentage margin, of the cost to him of the goods concerned, particulars of the amount of, and of any change in, indirect taxes comprised in that amount.

Profits, sales and costs

(Paragraphs 3, 4, 6 and 7 do not apply to distributors.)

3. The nature of the activity or activities to which the return or record relates and the goods or services to which each activity relates.

4. Except in the case of a local authority, the total value of sales (including charges for the performance of services), the total value of such sales including indirect taxes, the total value of such sales excluding indirect taxes and any changes in the amount of indirect taxes.

5. Except in the case of a local authority—

- (a) particulars of the reference level of the net profit margin determined in accordance with the code;
- (b) particulars of the net profit margin corresponding to the reference level and the manner in which it is calculated including particulars of any change in indirect taxes comprised in any amount used in the calculation.

6. Except in the case of a processor of any scrap metal, particulars of any increase or decrease in any price or charge, specifying the goods or services concerned, the date when the price or charge was implemented and the date when the increase or decrease in the price or charge was implemented.

7.—(1) Except in the case of a processor of any scrap metal, particulars of any variation in costs which, in accordance with the provisions of the code, justify the variation in a price or charge specified pursuant to paragraph 6 above, including any particulars which would, but for article 10, have been required by this Order to be furnished to the Commission.

(2) Where, in determining any price or charge, a person has applied paragraph 55 of the code (which makes provision for determining the cost of certain materials), particulars of how those costs were ascertained.

8.—(1) Where—

- (a) any change takes place in the remuneration comprised in the computation of the costs of any goods of which the price, or of any services for which the charge, is, pursuant to paragraph 6 above, required to be contained in a return or record; or
- (b) in the case of a distributor, he has applied paragraph 94 of the code (which relates to relief for low profits), paragraph 109 of the code (safeguard for distributors' net profit margins) or paragraph 114 of the code (safeguard for distributors making low profits),

particulars of the matters specified in sub-paragraph (2) below.

(2) The particulars referred to in sub-paragraph (1) above are particulars of—

- (a) the date of making of each settlement ("relevant settlement") relating to

remuneration mentioned in (a) of that sub-paragraph (or, in the case of a distributor, remuneration of any employee), or to any such remuneration and other remuneration, the persons by whom the settlement was made, the persons to whom it applies and the date of its implementation;

- (b) the number and description of employees to which each relevant settlement relates;
- (c) remuneration of employees under each relevant settlement, being remuneration to which it appears to the person required to make the return or to keep the record that the pay limits apply;
- (d) remuneration of employees under each relevant settlement, being remuneration to which it appears to that person that the pay limits do not apply; and
- (e) in relation to each employee, the date of implementation of the previous settlement relating to his remuneration.

(3) In this paragraph—

“employee” means an employee of the person required to make the return or to keep the record;

“pay limits” means the limits on remuneration mentioned in section 1 of the Remuneration, Charges and Grants Act 1975(a);

“remuneration”, in relation to any employee, includes any benefit, facility or advantage, whether in money or otherwise, provided by the employer or by some other person under arrangements with the employer, whether for the employee or otherwise, by reason of the fact that the employer employs him;

“relevant settlement” has the meaning assigned to it by sub-paragraph (2)(a) above;

“settlement” includes any agreement, arrangement, award or decision relating to remuneration, by whomsoever made and whether binding or not.

Special provisions relating to banks, finance houses or similar enterprises

9.—(1) In relation to hire purchase and conditional sale, the net income therefrom (less associated costs, including overheads) and the average resources employed therein, no account being taken of interest included in the hire-purchase price or in the total purchase price under a conditional sale.

(2) In relation to every other activity, the gross and net income therefrom calculated in accordance with the code (including associated overheads).

10.—(1) Where, in determining net profit, a person has applied paragraph 82 of the code (which makes provision for relief for net profit on account of increase in the value of stocks), particulars of and an indication of the reason for any increase or decrease in the value of stocks to be taken into account under that paragraph and of how net profit has been adjusted.

(2) In relation to the first period in which a person has obtained relief under paragraph 82 of the code, particulars of—

- (a) the value of stock at the beginning of each of the two periods to which annual accounts relate last ended before the beginning of the period in which relief is obtained, as shown in those accounts, together with any necessary appropriation of such values to each activity in respect of which net profit margins fall to be separately determined for the purposes of the code and to other activities; and

(a) 1975 c. 57. See also S.I. 1976/1097. (1976 II, p. 2920).

- (b) the like information in respect of each period in relation to which the person in question is required to furnish a return to the Commission and which falls within the two periods referred to in (a) above:

Provided that where particulars of any matter to be specified pursuant to this paragraph are not readily available, it shall be sufficient compliance with this paragraph to furnish particulars thereof in the form of an estimate together with a description of the manner in which the estimate is made.

- (3) In this paragraph “stock” has the meaning assigned to it by paragraph 82(3) of the code.

Special provisions relating to investment relief under paragraph 98 of the code

11. Particulars of—

- (a) the beginning of the investment year;
- (b) the beginning of the relief year;
- (c) expenditure on investment in the investment year and the manner in which it is calculated;
- (d) the amount of expenditure on investment in relation to the first 6 months of the investment year and in relation to the second 6 months of the investment year;
- (e) the amount of the relevant expenditure;
- (f) an estimate of turnover in the relief year;
- (g) the intended modification to the net profit margin reference level for the relief year specified pursuant to paragraph 5(a) above, being a figure found by expressing the relevant expenditure as a percentage of turnover for the relief year;
- (h) in the case of a distributor, the intended modification to the level of the gross percentage margin for the relief year specified pursuant to paragraph 2(1) above, being a figure found by expressing the relevant expenditure as a percentage of turnover for the relief year;
- (i) any increase in the net profit margin reference level, in the level of gross percentage margin and in any price, which is permitted under paragraph 101 of the code or under any provision which it replaces, and any related expenditure on investment.

Particulars relating to earlier years

12. In respect of each of the three latest complete years of account—

- (a) turnover;
- (b) the amount (and the manner in which it is calculated) which would be the expenditure on investment if, in the definition of “expenditure on investment” in paragraph 96(1) of the code, for the reference to the investment year, there were substituted references to each of those years respectively:

Provided that where particulars of any matter to be specified pursuant to this paragraph are not readily available, it shall be sufficient compliance with this paragraph to furnish particulars thereof in the form of an estimate together with a description of the manner in which the estimate is made.

Further particulars relating to the investment year and to the relief year

13. Particulars of—

- (a) each of the matters specified in paragraph 11 above on the basis of fact or of

revised estimates, as the case may require;

- (b) any adjustment to the relevant expenditure under paragraph 97(3)(b) of the code;
- (c) the amount recovered in sales on account of relevant expenditure;
- (d) an estimate of the amount (if any) to be recovered in sales on account of relevant expenditure after the end of the period to which the return relates;
- (e) the amount (if any) recovered in sales on account of relevant expenditure in excess of the relevant expenditure.

14. If relief under paragraph 98 of the code has exceeded the relevant expenditure, particulars of the steps to be taken under paragraph 100 of the code.

Price Restraint

15. In a case where an increase in a price or charge is implemented or the level of gross percentage margin is increased under paragraph 138 of the 1974 code (which permits increases in certain prices and gross percentage margins to facilitate restraint in other prices)—

- (a) any transferred revenue product and any increase in its price;
- (b) any restricted price product to which the transferable revenue justifying any increase referred to in (a) above relates;
- (c) the name and address of the person selling each restricted price product, if different from the person specified pursuant to paragraph 1(1);
- (d) the unit for profit margin control within which each restricted price product is sold, if different from that within which the goods or services to which the return or record relates are sold or provided;
- (e) the amount of all transferable revenue and the manner of its calculation, including the relevant base prices and the dates by reference to which they are respectively ascertained;
- (f) any increase in revenue arising from increases in prices and margins under paragraph 138 of the 1974 code; and
- (g) in the case of a distributor, any modification in the level of the gross percentage margin under paragraph 138 of the 1974 code;

and in this paragraph, “base price”, “restricted price product”, “transferable revenue” and “transferred revenue product” have the meanings assigned to them respectively in paragraph 141 of the 1974 code.

16. Any reduction or increase in the price of any goods pursuant to paragraph 39 of the code (which relates to the adjustment of prices of goods to which paragraphs 138 to 141 of the 1974 code apply).

Water authorities

17. Particulars of—

- (a) income and expenditure (or in the Isles of Scilly and in Scotland, income and expenditure relating to the supply of water by meter) of a water authority during the period to which the record relates;
- (b) the provision of any direction given to it by a Minister and, in the case of a statutory water company, of any arrangement between the company and any other water authority relevant to the calculation of prices; and
- (c) steps taken in restructuring of prices.

PART II

DECLARATION

I, [name of person making the return and the capacity in which he makes it] of [address] on behalf of [myself or name of person required to make the return if different] pursuant to article 4 of the Counter-Inflation (Prices and Charges) (Information) Order 1976 make this return to the Price Commission in respect of the period beginning on [date] and ending on [date] and declare that, to the best of my knowledge, information and belief, the particulars specified herein are correct and complete.

Signed: [signature of person making the return]

Date: [date of signature]

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order makes provision for returns to be furnished to the Price Commission about prices, charges, sales and profit margins, and for records to be kept.

It consolidates, with amendments, the Counter-Inflation (Prices and Charges) (Information) Order 1974, as amended.

The Order applies to manufacturers, distributors, and firms providing services whose sales in the home market exceed limits specified in articles 4 (as regards the furnishing of returns) and 15 (as regards record-keeping). The levels of sales value at which firms become subject to these obligations have been increased and are as follows:—

<i>Sector</i>	<i>Reporting firms (Category II)</i>	<i>Firms required to keep records (Category III)</i>
Manufacturing	£10,000,000	£2,000,000
Distribution	£15,000,000	£500,000
Commercial Services	£7,500,000	£500,000
Construction	£7,500,000	£2,000,000
Professional Services	£750,000	£200,000

The other principal changes are—

- (a) Specified information is to be given to the Price Commission within 14 days of an increase in a price or charge by enterprises implementing minor price increases which, by virtue of article 6(1) of the Counter-Inflation (Notification of Increases in Prices and Charges) Order 1976, are no longer to be notified in advance to the Price Commission (article 10).
- (b) Specified information is to be included in periodical returns by enterprises which elect to use the stock relief provision of paragraph 82 of the Price Code contained in Schedule 1 to the Counter-Inflation (Price Code) Order 1976 (article 5 and paragraph 10 of Schedule 2).

SI 1976/1172
ISBN 0-11-061172-1

