
STATUTORY INSTRUMENTS

2004 No. 1931

The Value Added Tax (Groups: eligibility) Order 2004

The consolidated accounts condition

- 6.—(1) The consolidated accounts condition is satisfied if—
- (a) consolidated accounts prepared for a person who controls all of the other members of the group (or, where the person is or will be a member of the group, all of the other members apart from himself) would be required by generally accepted accounting practice to include accounts for the specified body as his subsidiary; and
 - (b) consolidated accounts prepared for a third party would not be required by generally accepted accounting practice to include accounts for the specified body as his subsidiary.
- (2) For the purpose of the application of paragraph (1) at a particular time—
- (a) the reference to consolidated accounts is a reference to consolidated accounts—
 - (i) for a period including that time, and
 - (ii) insofar as they relate to that time,
 - (b) any principle of generally accepted accounting practice that permits accounts of a subsidiary undertaking to be excluded from a consolidation as being immaterial shall be disregarded;
 - (c) the reference to consolidated accounts prepared for a person is a reference to consolidated accounts of a kind that could be prepared for him in accordance with generally accepted accounting practice, for which purpose it does not matter—
 - (i) whether accounts are actually prepared for him (whether for a particular period or at all), or
 - (ii) in particular, whether he is required to prepare accounts.
- (3) In this article “generally accepted accounting practice”—
- (a) has the meaning given by section 50(1) of the Finance Act 2004⁽¹⁾;
 - (b) in relation to any time when that section does not have effect, has the meaning given by section 836A of the Income and Corporation Taxes Act 1988⁽²⁾.

(1) 2004 c. 12.

(2) 1988 c. 1; section 836A was inserted by section 103(2) of the Finance Act 2002 (c. 23).