SCHEDULE 4

GROUP ACCOUNTS

PART 1

FORM AND CONTENT OF NON-IAS GROUP ACCOUNTS

Acquisition and merger accounting

11.—(1) Where an LLP adopts the merger method of accounting, it must comply with this paragraph, and with generally accepted accounting principles or practice.

(2) The assets and liabilities of the undertaking acquired must be brought into the group accounts at the figures at which they stand in the undertaking's accounts, subject to any adjustment authorised or required by this Schedule.

(3) The income and expenditure of the undertaking acquired must be included in the group accounts for the entire financial year, including the period before the acquisition.

(4) The group accounts must show corresponding amounts relating to the previous financial year as if the undertaking acquired had been included in the consolidation throughout that year.