#### STATUTORY INSTRUMENTS

#### 2008 No. 409

#### **COMPANIES**

# The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008

Made - - - - 19th February 2008 Coming into force 6th April 2008

### THE SMALL COMPANIES AND GROUPS (ACCOUNTS AND DIRECTORS' REPORT) REGULATIONS 2008

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- 1. Citation and interpretation
- 2. Commencement and application

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- 4. Information about related undertakings (Companies Act or IAS individual accounts)
- 5. Information about directors' benefits: remuneration (Companies Act or IAS individual accounts)
- 6. Accounts for delivery to registrar of companies (Companies Act individual accounts)

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7. Directors' report

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- 8. Companies Act group accounts
- 9. Information about directors' benefits: remuneration (Companies Act or IAS group accounts)
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#### PART 5

- 12. Definition of "provisions"
- 13. General interpretation Signature

SCHEDULE 1 — COMPANIES ACT INDIVIDUAL ACCOUNTS PART 1 — GENERAL RULES AND FORMATS

#### SECTION A

#### GENERAL RULES

- 1. (1) Subject to the following provisions of this Schedule—
- 2. (1) Where in accordance with paragraph 1 a company's balance...
- 3. (1) Any item required to be shown in a company's...
- 4. (1) Where the special nature of the company's business requires...
- 5. (1) Subject to sub-paragraph (2), the directors must not include...
- 6. Every profit and loss account must show the amount of...
- 7. (1) For every item shown in the balance sheet or...
- 8. Amounts in respect of items representing assets or income may...
- 9. The company's directors must, in determining how amounts are presented...

#### **SECTION B**

## THE REQUIRED FORMATS FOR ACCOUNTS PART 2 — ACCOUNTING PRINCIPLES AND RULES

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#### ACCOUNTING PRINCIPLES

- 10. Preliminary
- 11. Accounting principles
- 12. Accounting policies must be applied consistently within the same accounts
- 13. The amount of any item must be determined on a...
- 14. All income and charges relating to the financial year to...
- 15. In determining the aggregate amount of any item, the amount...

#### SECTION B

#### HISTORICAL COST ACCOUNTING RULES

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#### Fixed assets

17. General rules

Status: This is the original version (as it was originally made).

- 18. Rules for depreciation and diminution in value
- 19. (1) Where a fixed asset investment of a description falling...
- 20. (1) Where the reasons for which any provision was made...
- 21. Development costs
- 22. Goodwill
- 23. Current assets
- 24. (1) If the net realisable value of any current asset...

#### Miscellaneous and supplementary provisions

- 25. Excess of money owed over value received as an asset item
- 26. Assets included at a fixed amount
- 27. Determination of purchase price or production cost
- 28. (1) The purchase price or production cost of—
- 29. Substitution of original stated amount where price or cost unknown

#### SECTION C

#### ALTERNATIVE ACCOUNTING RULES

- 30. Preliminary
- 31. Subject to paragraphs 33 to 35, the amounts to be...
- 32. Alternative accounting rules
- 33. Application of the depreciation rules
- 34. Additional information to be provided in case of departure from historical cost accounting rules
- 35. Revaluation reserve

#### SECTION D

#### FAIR VALUE ACCOUNTING

- 36. Inclusion of financial instruments at fair value
- 37. Determination of fair value
- 38. Hedged items
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- 40. Accounting for changes in value
- 41. The fair value reserve

#### PART 3 — NOTES TO THE ACCOUNTS

- 42. Preliminary
- 43. Reserves and dividends
- 44. Disclosure of accounting policies

#### Information supplementing the balance sheet

- 45. Paragraphs 46 to 58 require information which either supplements the...
- 46. Share capital
- 47. If the company has allotted any shares during the financial...
- 48. Fixed assets
- 49. Where any fixed assets of the company (other than listed...
- 50. Investments
- 51. Information about fair value of assets and liabilities
- 52. (1) This paragraph applies if— (a) the company has financial...
- 53. Information where investment property and living animals and plants included at fair value

- 54. Reserves and provisions
- 55. Details of indebtedness
- 56. If any fixed cumulative dividends on the company's shares are...
- 57. Guarantees and other financial commitments
- 58 Miscellaneous matters
- 59. Information supplementing the profit and loss account
- 60. Particulars of turnover
- 61. Miscellaneous matters
- 62. Sums denominated in foreign currencies
- 63. Dormant companies acting as agents

## SCHEDULE 2 — INFORMATION ABOUT RELATED UNDERTAKINGS WHERE COMPANY NOT PREPARING GROUP ACCOUNTS (COMPANIES ACT OR IAS INDIVIDUAL ACCOUNTS)

#### PART 1 — REQUIRED DISCLOSURES

- 1. Subsidiary undertakings
- 2. Holdings in subsidiary undertakings
- 3. Financial information about subsidiary undertakings
- 4. Shares of company held by subsidiary undertakings
- 5. Significant holdings in undertakings other than subsidiary undertakings
- 6. (1) The name of the undertaking must be stated.
- 7. (1) There must also be stated—(a) the aggregate amount...
- 8. Membership of certain undertakings
- 9. Parent undertaking drawing up accounts for larger group
- 10. Identification of ultimate parent company
- 11. Construction of references to shares held by company

### PART 2 — INTERPRETATION OF REFERENCES TO "BENEFICIAL INTEREST"

- 12. Introduction
- 13. Residual interests under pension and employees' share schemes
- 14. Employer's charges and other rights of recovery
- 15. Trustee's right to expenses, remuneration, indemnity etc.
- 16. Meaning of "pension scheme"
- 17. Application of provisions to directors

### SCHEDULE 3 — INFORMATION ABOUT DIRECTORS' BENEFITS: REMUNERATION (COMPANIES ACT OR IAS ACCOUNTS)

#### PART 1 — INFORMATION REQUIRED TO BE DISCLOSED

- 1. Total amount of directors' remuneration etc.
- Compensation to directors for loss of office
   Sums paid to third parties in respect of directors' services

#### PART 2 — SUPPLEMENTARY PROVISIONS

- 4. General nature of obligations
- 5. Provisions as to amounts to be shown
- 6. Exclusion of sums liable to be accounted for to company etc.
- 7. Meaning of "remuneration"
- 8. Meaning of "long term incentive scheme"
- 9. Meaning of "shares" and "share option" and related expressions
- 10. Meaning of "pension scheme" and related expressions
- 11. References to subsidiary undertakings
- 12. Other minor definitions

### SCHEDULE 4 — COMPANIES ACT ABBREVIATED ACCOUNTS FOR DELIVERY TO REGISTRAR OF COMPANIES

#### PART 1 — THE REQUIRED BALANCE SHEET FORMATS

- 1. (1) A company may deliver to the registrar a copy... PART 2 NOTES TO THE ACCOUNTS
- 2. Preliminary
- 3. Disclosure of accounting policies

#### Information supplementing the balance sheet

- 4. Share capital and debentures
- 5. If the company has allotted any shares during the financial...
- 6. Fixed assets
- 7. Financial fixed assets
- 8. Details of indebtedness
- 9. Sums denominated in foreign currencies
- 10. Dormant companies acting as agents

#### SCHEDULE 5 — MATTERS TO BE DEALT WITH IN DIRECTORS' REPORT

- 1. Introduction
- 2. Political donations and expenditure
- 3. (1) If the company (not being the wholly-owned subsidiary of...
- 4. Charitable donations
- 5. Disclosure concerning employment etc. of disabled persons
- 6. Disclosure required by company acquiring its own shares etc.

#### SCHEDULE 6 — GROUP ACCOUNTS

### PART 1 — FORM AND CONTENT OF COMPANIES ACT GROUP ACCOUNTS

- 1. General rules
- 2. (1) The consolidated balance sheet and profit and loss account...
- 3. (1) Where assets and liabilities to be included in the...
- 4. Any differences of accounting rules as between a parent company's...
- 5. Amounts that in the particular context of any provision of...
- 6. Elimination of group transactions
- 7. Acquisition and merger accounting
- 8. An acquisition must be accounted for by the acquisition method...
- 9. (1) The acquisition method of accounting is as follows.
- 10. (1) The conditions for accounting for an acquisition as a...
- 11. (1) The merger method of accounting is as follows.
- 12. (1) Where a group is acquired, paragraphs 9 to 11...
- 13. (1) The following information with respect to acquisitions taking place...
- 14. (1) There must also be stated in a note to...
- 15. Where during the financial year there has been a disposal...
- 16. The information required by paragraph 13, 14 or 15 need...
- 17. Minority interests
- 18. Joint ventures
- 19. Associated undertakings
- 20. (1) The interest of an undertaking in an associated undertaking,...

## PART 2 — INFORMATION ABOUT RELATED UNDERTAKINGS WHERE COMPANY PREPARING GROUP ACCOUNTS (COMPANIES ACT OR IAS GROUP ACCOUNTS)

21. Introduction and interpretation

- 22. Subsidiary undertakings
- 23. Holdings in subsidiary undertakings
- 24. Financial information about subsidiary undertakings not included in the consolidation
- 25. Shares of company held by subsidiary undertakings
- 26. Joint ventures
- 27. Associated undertakings
- 28. Other significant holdings of parent company or group
- 29. (1) The name of the undertaking must be stated.
- 30. (1) There must also be stated—(a) the aggregate amount...
- 31. (1) The information required by paragraphs 32 and 33 must...
- 32. (1) The name of the undertaking must be stated.
- 33. (1) There must also be stated—(a) the aggregate amount...
- 34. Parent company's or group's membership of certain undertakings
- 35. Parent undertaking drawing up accounts for larger group
- 36. Identification of ultimate parent company
- 37. Construction of references to shares held by parent company or group

#### SCHEDULE 7 — INTERPRETATION OF TERM "PROVISIONS"

#### PART 1 — MEANING FOR PURPOSES OF THESE REGULATIONS

- 1. Definition of "Provisions"
- 2. References in these Regulations to provisions for liabilities are to...

### PART 2 — MEANING FOR PURPOSES OF PARTS 18 AND 23 OF THE 2006 ACT

- 3. Financial assistance for purchase of own shares
- 4. Redemption or purchase by private company out of capital
- 5. Justification of distribution by references to accounts

#### SCHEDULE 8 — GENERAL INTERPRETATION

- 1. Financial instruments
- 2. (1) The expressions listed in sub-paragraph (2) have the same...
- 3. Fixed and current assets
- 4. Historical cost accounting rules
- 5. Listed investments
- 6. Loans
- 7. Materiality
- 8. Participating interests
- 9. Purchase price
- 10. Realised profits and losses
- 11. Staff costs

**Explanatory Note**