

## SCHEDULE 5

Regulation 7

### MATTERS TO BE DEALT WITH IN DIRECTORS' REPORT

#### **Modifications etc. (not altering text)**

- C1** Sch. 5 applied (with modifications) (with application in accordance with reg. 1(2) of the amending S.I.) by [The Partnerships \(Accounts\) Regulations 2008 \(S.I. 2008/569\)](#), reg. 1(2), Sch. 1 paras. 1(1)(b), **2(1)(f)**

#### **Introduction**

1. In addition to the information required by section 416 of the 2006 Act, the directors' report must contain the following information.

#### **Political donations and expenditure**

2.—(1) If—

- (a) the company (not being the wholly-owned subsidiary of a company incorporated in the United Kingdom) has in the financial year—
  - (i) made any political donation to any political party or other political organisation,
  - (ii) made any political donation to any independent election candidate, or
  - (iii) incurred any political expenditure, and
- (b) the amount of the donation or expenditure, or (as the case may be) the aggregate amount of all donations and expenditure falling within paragraph (a), exceeded £2000,

the directors' report for the year must contain the following particulars.

(2) Those particulars are—

- (a) as respects donations falling within sub-paragraph (1)(a)(i) or (ii)—
  - (i) the name of each political party, other political organisation or independent election candidate to whom any such donation has been made, and
  - (ii) the total amount given to that party, organisation or candidate by way of such donations in the financial year; and
- (b) as respects expenditure falling within sub-paragraph (1)(a)(iii), the total amount incurred by way of such expenditure in the financial year.

(3) If—

- (a) at the end of the financial year the company has subsidiaries which have, in that year, made any donations or incurred any such expenditure as is mentioned in sub-paragraph (1)(a), and
- (b) it is not itself the wholly-owned subsidiary of a company incorporated in the United Kingdom,

the directors' report for the year is not, by virtue of sub-paragraph (1), required to contain the particulars specified in sub-paragraph (2). But, if the total amount of any such donations or expenditure (or both) made or incurred in that year by the company and the subsidiaries between them exceeds £2000, the directors' report for the year must contain those particulars in relation to each body by whom any such donation or expenditure has been made or incurred.

(4) Any expression used in this paragraph which is also used in Part 14 of the 2006 Act (control of political donations and expenditure) has the same meaning as in that Part.

**Changes to legislation:** There are currently no known outstanding effects for the *The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008, SCHEDULE 5*. (See end of Document for details)

3.—(1) If the company (not being the wholly-owned subsidiary of a company incorporated in the United Kingdom) has in the financial year made any contribution to a [<sup>F1</sup>non-UK] political party, the directors' report for the year must contain—

- (a) a statement of the amount of the contribution, or
- (b) (if it has made two or more such contributions in the year) a statement of the total amount of the contributions.

(2) If—

- (a) at the end of the financial year the company has subsidiaries which have, in that year, made any such contributions as are mentioned in sub-paragraph (1), and
- (b) it is not itself the wholly-owned subsidiary of a company incorporated in the United Kingdom,

the directors' report for the year is not, by virtue of sub-paragraph (1), required to contain any such statement as is there mentioned, but it must instead contain a statement of the total amount of the contributions made in the year by the company and the subsidiaries between them.

(3) In this paragraph, “contribution”, in relation to an organisation, means—

- (a) any gift of money to the organisation (whether made directly or indirectly);
- (b) any subscription or other fee paid for affiliation to, or membership of, the organisation; or
- (c) any money spent (otherwise than by the organisation or a person acting on its behalf) in paying any expenses incurred directly or indirectly by the organisation.

(4) In this paragraph, “[<sup>F2</sup>non-UK ] political party” means any political party which carries on, or proposes to carry on, its activities wholly outside the [<sup>F3</sup>United Kingdom].

**Textual Amendments**

- F1** Word in [Sch. 5 para. 3\(1\)](#) substituted (31.12.2020 with effect in relation to financial years beginning on or after IP completion day) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/145\)](#), regs. 1(2)(b), 2, [Sch. 3 para. 1\(a\)](#) (with reg. 7(2)) (as amended by [S.I. 2020/523](#), regs. 1(2), 10, 11); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F2** Word in [Sch. 5 para. 3\(4\)](#) substituted (31.12.2020 with effect in relation to financial years beginning on or after IP completion day) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/145\)](#), regs. 1(2)(b), 2, [Sch. 3 para. 1\(b\)\(i\)](#) (with reg. 7(2)) (as amended by [S.I. 2020/523](#), regs. 1(2), 10, 11); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)
- F3** Words in [Sch. 5 para. 3\(4\)](#) substituted (31.12.2020 with effect in relation to financial years beginning on or after IP completion day) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/145\)](#), regs. 1(2)(b), 2, [Sch. 3 para. 1\(b\)\(ii\)](#) (with reg. 7(2)) (as amended by [S.I. 2020/523](#), regs. 1(2), 10, 11); 2020 c. 1, [Sch. 5 para. 1\(1\)](#)

**Charitable donations**

<sup>F4</sup>4. ....

**Textual Amendments**

- F4** [Sch. 5 para. 4](#) omitted (with effect in accordance with reg. 1(4) of the amending S.I.) by virtue of [The Companies Act 2006 \(Strategic Report and Directors' Report\) Regulations 2013 \(S.I. 2013/1970\)](#), reg. 1(2)(3), [8\(2\)](#)

### Disclosure concerning employment etc. of disabled persons

5.—(1) This paragraph applies to the directors' report where the average number of persons employed by the company in each week during the financial year exceeded 250.

(2) That average number is the quotient derived by dividing, by the number of weeks in the financial year, the number derived by ascertaining, in relation to each of those weeks, the number of persons who, under contracts of service, were employed in the week (whether throughout it or not) by the company, and adding up the numbers ascertained.

(3) The directors' report must in that case contain a statement describing such policy as the company has applied during the financial year—

- (a) for giving full and fair consideration to applications for employment by the company made by disabled persons, having regard to their particular aptitudes and abilities,
- (b) for continuing the employment of, and for arranging appropriate training for, employees of the company who have become disabled persons during the period when they were employed by the company, and
- (c) otherwise for the training, career development and promotion of disabled persons employed by the company.

(4) In this paragraph—

- (a) “employment” means employment other than employment to work wholly or mainly outside the United Kingdom, and “employed” and “employee” are to be construed accordingly; and
- (b) “disabled person” means the same as in the Disability Discrimination Act 1995 <sup>M1</sup>.

#### Marginal Citations

M1 1995 c.50.

### Disclosure required by company acquiring its own shares etc.

<sup>F5</sup>6. ....

#### Textual Amendments

F5 Sch. 5 para. 6 omitted (with effect in accordance with reg. 1(4) of the amending S.I.) by virtue of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 (S.I. 2013/1970), reg. 1(2)(3), 8(3)

**Changes to legislation:**

There are currently no known outstanding effects for the The Small Companies and Groups (Accounts and Directors' Report) Regulations 2008, SCHEDULE 5.