

## SCHEDULE 1

### Relevant undertakings

#### **Financial thresholds**

**6.** In relation to an undertaking the directors of which are not required to prepare accounts under section 394 of the Companies Act 2006, and have prepared accounts which comply with section 395 of that Act (*Individual Accounts: applicable accounting framework*), the annual turnover and the annual balance sheet total for that undertaking are—

- (a) the annual turnover and annual balance sheet total recorded in those accounts for the financial year ending on, or in the 12 months immediately preceding, the qualification date, or
- (b) where those accounts are based on an accounting period of other than 12 months in accordance with sub-paragraph (a), a calculation of the annual turnover for a 12 month period, on a pro-rata basis.