
STATUTORY INSTRUMENTS

2016 No. 575

**The Limited Liability Partnerships, Partnerships
and Groups (Accounts and Audit) Regulations 2016**

PART 3

**Amendments to the Small Limited Liability
Partnerships (Accounts) Regulations 2008**

Amendments to Part 3 of Schedule 1 (notes to the accounts: non-IAS individual accounts)

41. In Part 3 of Schedule 1 (notes to the accounts: non-IAS individual accounts)—

(a) for paragraph 42 (preliminary) substitute—

“Preliminary

42.—(1) Any information required in the case of an LLP by the following provisions of this Part of this Schedule must be given by way of a note to the accounts.

(2) These notes must be presented in the order in which, where relevant, the items to which they relate are presented in the balance sheet and in the profit and loss account.”;

(b) omit paragraph 43 (reserves);

(c) in paragraph 45 (which specifies paragraphs requiring information supplementing the balance sheet) for “46 to 56” substitute “47 to 55”;

(d) omit paragraph 46 (loans and other debts due to members);

(e) omit paragraph 49 (investments);

(f) for paragraph 50 (information about fair value of assets and liabilities) substitute—

“Information about fair value of assets and liabilities

50.—(1) This paragraph applies where financial instruments or other assets have been valued in accordance with, as appropriate, paragraph 36, 38 or 39.

(2) There must be stated—

(a) the significant assumptions underlying the valuation models and techniques used to determine the fair values,

(b) for each category of financial instrument or other asset, the fair value of the assets in that category and the changes in value—

(i) included directly in the profit and loss account, or

(ii) credited to or (as the case may be) debited from the fair value reserve,
in respect of those assets, and

- (c) for each class of derivatives, the extent and nature of the instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows.
- (3) Where any amount is transferred to or from the fair value reserve during the financial year, there must be stated in tabular form—
 - (a) the amount of the reserve as at the date of the beginning of the financial year and as at the balance sheet date respectively, and
 - (b) the amount transferred to or from the reserve during that year.”;
- (g) omit paragraphs 51 (financial fixed assets that could be included at fair value but included in excess of fair value) and 52 (information where investment property and living animals and plants included at fair value);
- (h) for paragraph 53 (reserves and provisions) substitute—

“Information about revalued fixed assets

- 53.—**(1) This paragraph applies where fixed assets are measured at revalued amounts.
- (2) Where this paragraph applies, the following information must be given in tabular form—
- (a) movements in the revaluation reserve in the financial year, with an explanation of the tax treatment of items therein, and
 - (b) the carrying amount in the balance sheet that would have been recognised had the fixed assets not been revalued.”;
- (i) at the end of paragraph 54(2) (details of indebtedness) insert “with an indication of the nature and form of any such security”;
 - (j) for paragraph 55 (guarantees and other financial commitments) substitute—

“Guarantees and other financial commitments

- 55.—**(1) The total amount of any financial commitments, guarantees and contingencies that are not included in the balance sheet must be stated.
- (2) An indication of the nature and form of any valuable security given by the LLP in respect of commitments, guarantees and contingencies within sub-paragraph (1) must be given.
- (3) The total amount of any commitments within sub-paragraph (1) concerning pensions must be separately disclosed.
- (4) The total amount of any commitments within sub-paragraph (1) which are undertaken on behalf of or for the benefit of—
- (a) any parent undertaking, fellow subsidiary undertaking or any subsidiary undertaking of the LLP, or
 - (b) any undertaking in which the LLP has a participating interest,
- must be separately stated and those within paragraph (a) must also be stated separately from those within paragraph (b).”;
- (k) omit paragraphs 56 (miscellaneous matters – particulars where substitution of original stated amount because price or cost of asset unknown) to 58 (particulars of turnover);
 - (l) for paragraph 59(2) and (3) (miscellaneous matters – inclusion of amounts relating to any preceding financial year in the profit and loss account) substitute—

“(2) The amount and nature of any individual items of income or expenditure of exceptional size or incidence must be stated.”;

- (m) omit paragraphs 60 (sums denominated in foreign currencies) and 61 (dormant LLPs acting as agents); and
- (n) after paragraph 59 (miscellaneous matters – amount relating to preceding financial year) insert—

“Post balance sheet events

62. The nature and financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet must be stated.

Parent undertaking information

63. Where the LLP is a subsidiary undertaking, the following information must be given in respect of the parent undertaking of the smallest group of undertakings for which group accounts are drawn up of which the LLP is a member—

- (a) the name of the parent undertaking which draws up the group accounts,
- (b) the address of the undertaking’s registered office (whether in or outside the United Kingdom), or
- (c) if it is incorporated, the address of its principal place of business.

Related party transactions

64.—(1) Particulars may be given of transactions which the LLP has entered into with related parties, and must be given if such transactions are material and have not been concluded under normal market conditions with—

- (a) members of the LLP that are related parties; and
- (b) undertakings in which the LLP itself has a participating interest.

(2) Particulars of the transactions required to be disclosed under sub-paragraph (1) must include—

- (a) the amount of such transactions,
- (b) the nature of the related party relationship, and
- (c) other information about the transactions necessary for an understanding of the financial position of the LLP.

(3) Information about individual transactions may be aggregated according to their nature, except where separate information is necessary for an understanding of the effects of the related party transactions on the financial position of the LLP.

(4) Particulars need not be given of transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly-owned by such a member.

(5) In this paragraph “related party” has the same meaning as in international accounting standards.”.