

---

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 1 of Schedule 4 (form and content of non-IAS group accounts)**

- 43.** In Part 1 of Schedule 4 (form and content of non-IAS group accounts)—
- (a) in paragraph 1 (general rules)—
    - (i) in sub-paragraph (1), for “sub-paragraphs (1) and (2)” substitute “the following provisions of this Schedule”;
    - (ii) after sub-paragraph (1) insert—

“(1A) Paragraph 1A of Schedule 1 to these Regulations does not apply to group accounts.”;
    - (iii) in sub-paragraph (2), after “out in” insert “Section B of Part 1 of”; and
    - (iv) in sub-paragraph (3), after “account formats” insert “in Section B of Part 1 of that Schedule”;
  - (b) after paragraph 2(1) (concerning the consolidated balance sheet and profit and loss account) insert—

“(1A) Group accounts must be drawn up as at the same date as the accounts of the parent LLP.”;
  - (c) after paragraph 9(5) (concerning the acquisition method of accounting) insert—

“(6) Negative goodwill may be transferred to the consolidated profit and loss account where such a treatment is in accordance with the principles and rules of Part 2 of Schedule 1 to these Regulations.”;
  - (d) after paragraph 16 (certain information need not be disclosed if an undertaking is established under the law of a country, or carries on business, outside the UK) insert—

“**16A.** Where an acquisition has taken place in the financial year and the merger method of accounting has been adopted, the notes to the accounts must also disclose the names and the addresses of the registered offices of the undertakings concerned (whether in or outside the United Kingdom).”;
  - (e) for paragraph 17 (minority interests) substitute—

### **“Non-controlling interests**

17.—(1) The formats set out in Section B of Part 1 of Schedule 1 to these Regulations have effect in relation to group accounts with the following additions.

(2) In the Balance Sheet Formats there must be shown, as a separate item and under the heading “non-controlling interests”, the amount of capital and reserves attributable to shares in subsidiary undertakings included in the consolidation held by or on behalf of persons other than the parent LLP and its subsidiary undertakings.

(3) In the Profit and Loss Account Formats there must be shown, as a separate item and under the heading “non-controlling interests”, the amount of any profit or loss attributable to shares in subsidiary undertakings included in the consolidation held by or on behalf of persons other than the parent LLP and its subsidiary undertakings.

(4) For the purposes of paragraph 4 of Schedule 1 (power to adapt or combine items)—

(a) the additional item required by sub-paragraph (2) above is treated as one to which a letter is assigned, and

(b) the additional item required by sub-paragraph (3) above is treated as one to which an Arabic number is assigned.”;

(f) in paragraph 18 (joint ventures)—

(i) in sub-paragraph (2), after “consolidated accounts” insert “and sections 402 and 405 of the 2006 Act”; and

(ii) after sub-paragraph (2) insert—

“(3) In addition to the disclosure of the average number of employees employed during the financial year (see section 411(7) of the 2006 Act), there must be a separate disclosure in the notes to the accounts of the average number of employees employed by undertakings that are proportionately consolidated.”; and

(g) after paragraph 20 (use of equity method of accounting for associated undertakings) insert—

### **“Deferred tax balances**

20A. Deferred tax balances must be recognised on consolidation where it is probable that a charge to tax will arise within the foreseeable future for one of the undertakings included in the consolidation.

### **Related party transactions**

20B. Paragraph 64 of Schedule 1 to these Regulations applies to transactions which the parent LLP, or other undertakings included in the consolidation, have entered into with related parties, unless they are intra-group transactions.”.