

SCHEDULE 1

COMPANIES ACT INDIVIDUAL ACCOUNTS: COMPANIES WHICH ARE NOT BANKING OR INSURANCE COMPANIES

PART 1

GENERAL RULES AND FORMATS

SECTION A

GENERAL RULES

1.—(1) Subject to the following provisions of this Schedule—

- (a) every balance sheet of a company must show the items listed in either of the balance sheet formats in Section B of this Part, and
- (b) every profit and loss account must show the items listed in any one of the profit and loss account formats in Section B.

(2) References in this Schedule to the items listed in any of the formats in Section B are to those items read together with any of the notes following the formats which apply to those items.

(3) The items must be shown in the order and under the headings and sub-headings given in the particular format used, but—

- (a) the notes to the formats may permit alternative positions for any particular items, and
- (b) the heading or sub-heading for any item does not have to be distinguished by any letter or number assigned to that item in the format used.

2.—(1) Where in accordance with paragraph 1 a company's balance sheet or profit and loss account for any financial year has been prepared by reference to one of the formats in Section B, the company's directors must use the same format in preparing Companies Act individual accounts for subsequent financial years, unless in their opinion there are special reasons for a change.

(2) Particulars of any such change must be given in a note to the accounts in which the new format is first used, and the reasons for the change must be explained.

3.—(1) Any item required to be shown in a company's balance sheet or profit and loss account may be shown in greater detail than required by the particular format used.

(2) The balance sheet or profit and loss account may include an item representing or covering the amount of any asset or liability, income or expenditure not otherwise covered by any of the items listed in the format used, save that none of the following may be treated as assets in any balance sheet—

- (a) preliminary expenses,
- (b) expenses of, and commission on, any issue of shares or debentures, and
- (c) costs of research.

4.—(1) Where the special nature of the company's business requires it, the company's directors must adapt the arrangement, headings and sub-headings otherwise required in respect of items given an Arabic number in the balance sheet or profit and loss account format used.

(2) The directors may combine items to which Arabic numbers are given in any of the formats in Section B if—

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- (a) their individual amounts are not material to assessing the state of affairs or profit or loss of the company for the financial year in question, or
 - (b) the combination facilitates that assessment.
- (3) Where sub-paragraph (2)(b) applies, the individual amounts of any items which have been combined must be disclosed in a note to the accounts.

5.—(1) Subject to sub-paragraph (2), the directors must not include a heading or sub-heading corresponding to an item in the balance sheet or profit and loss account format used if there is no amount to be shown for that item for the financial year to which the balance sheet or profit and loss account relates.

(2) Where an amount can be shown for the item in question for the immediately preceding financial year that amount must be shown under the heading or sub-heading required by the format for that item.

6. Every profit and loss account must show the amount of a company's profit or loss on ordinary activities before taxation.

7.—(1) For every item shown in the balance sheet or profit and loss account the corresponding amount for the immediately preceding financial year must also be shown.

(2) Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the balance sheet or profit and loss account relates, the former amount may be adjusted, and particulars of the non-comparability and of any adjustment must be disclosed in a note to the accounts.

8. Amounts in respect of items representing assets or income may not be set off against amounts in respect of items representing liabilities or expenditure (as the case may be), or vice versa.

9. The company's directors must, in determining how amounts are presented within items in the profit and loss account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

SECTION B

THE REQUIRED FORMATS FOR ACCOUNTS(1)

Balance sheet formats

Format 1

- A. Called up share capital not paid (1)
- B. Fixed assets
 - I. Intangible assets
 - 1. Development costs
 - 2. Concessions, patents, licences, trade marks and similar rights and assets (2)
 - 3. Goodwill (3)
 - 4. Payments on account

(1) A number in brackets following any item is a reference to the note of that number in the notes following the formats.

II. Tangible assets

1. Land and buildings
2. Plant and machinery
3. Fixtures, fittings, tools and equipment
4. Payments on account and assets in course of construction

III. Investments

1. Shares in group undertakings
2. Loans to group undertakings
3. Participating interests
4. Loans to undertakings in which the company has a participating interest
5. Other investments other than loans
6. Other loans
7. Own shares (4)

C. Current assets

I. Stocks

1. Raw materials and consumables
2. Work in progress
3. Finished goods and goods for resale
4. Payments on account

II. Debtors (5)

1. Trade debtors
2. Amounts owed by group undertakings
3. Amounts owed by undertakings in which the company has a participating interest
4. Other debtors
5. Called up share capital not paid (1)
6. Prepayments and accrued income (6)

III. Investments

1. Shares in group undertakings
2. Own shares (4)
3. Other investments

IV. Cash at bank and in hand

D. Prepayments and accrued income (6)

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- E. Creditors: amounts falling due within one year
 - 1. Debenture loans (7)
 - 2. Bank loans and overdrafts
 - 3. Payments received on account (8)
 - 4. Trade creditors
 - 5. Bills of exchange payable
 - 6. Amounts owed to group undertakings
 - 7. Amounts owed to undertakings in which the company has a participating interest
 - 8. Other creditors including taxation and social security (9)
 - 9. Accruals and deferred income (10)

- F. Net current assets (liabilities) (11)

- G. Total assets less current liabilities

- H. Creditors: amounts falling due after more than one year
 - 1. Debenture loans (7)
 - 2. Bank loans and overdrafts
 - 3. Payments received on account (8)
 - 4. Trade creditors
 - 5. Bills of exchange payable
 - 6. Amounts owed to group undertakings
 - 7. Amounts owed to undertakings in which the company has a participating interest
 - 8. Other creditors including taxation and social security (9)
 - 9. Accruals and deferred income (10)

- I. Provisions for liabilities
 - 1. Pensions and similar obligations
 - 2. Taxation, including deferred taxation
 - 3. Other provisions

- J. Accruals and deferred income (10)

- K. Capital and reserves

- I. Called up share capital (12)
 - II. Share premium account
 - III. Revaluation reserve
 - IV. Other reserves
 - 1. Capital redemption reserve
 - 2. Reserve for own shares
 - 3. Reserves provided for by the articles of association
 - 4. Other reserves
 - V. Profit and loss account
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Balance sheet formats

Format 2

ASSETS

- A. Called up share capital not paid (1)
- B. Fixed assets
 - I. Intangible assets
 - 1. Development costs
 - 2. Concessions, patents, licences, trade marks and similar rights and assets (2)
 - 3. Goodwill (3)
 - 4. Payments on account
 - II. Tangible assets
 - 1. Land and buildings
 - 2. Plant and machinery
 - 3. Fixtures, fittings, tools and equipment
 - 4. Payments on account and assets in course of construction
 - III. Investments
 - 1. Shares in group undertakings
 - 2. Loans to group undertakings
 - 3. Participating interests
 - 4. Loans to undertakings in which the company has a participating interest
 - 5. Other investments other than loans
 - 6. Other loans

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7. Own shares (4)

C. Current assets

I. Stocks

1. Raw materials and consumables
2. Work in progress
3. Finished goods and goods for resale
4. Payments on account

II. Debtors (5)

1. Trade debtors
2. Amounts owed by group undertakings
3. Amounts owed by undertakings in which the company has a participating interest
4. Other debtors
5. Called up share capital not paid (1)
6. Prepayments and accrued income (6)

III. Investments

1. Shares in group undertakings
2. Own shares (4)
3. Other investments

IV. Cash at bank and in hand

D. Prepayments and accrued income (6)

LIABILITIES

A. Capital and reserves

- I. Called up share capital (12)
- II. Share premium account
- III. Revaluation reserve
- IV. Other reserves
 1. Capital redemption reserve
 2. Reserve for own shares
 3. Reserves provided for by the articles of association
 4. Other reserves

V. Profit and loss account

B. Provisions for liabilities

1. Pensions and similar obligations
2. Taxation, including deferred taxation
3. Other provisions

C. Creditors (13)

1. Debenture loans (7)
2. Bank loans and overdrafts
3. Payments received on account (8)
4. Trade creditors
5. Bills of exchange payable
6. Amounts owed to group undertakings
7. Amounts owed to undertakings in which the company has a participating interest
8. Other creditors including taxation and social security (9)
9. Accruals and deferred income (10)

D. Accruals and deferred income (10)

Notes on the balance sheet formats

(1) *Called up share capital not paid*

(Formats 1 and 2, items A and C.II.5.)

This item may be shown in either of the two positions given in formats 1 and 2.

(2) *Concessions, patents, licences, trade marks and similar rights and assets*

(Formats 1 and 2, item B.I.2.)

Amounts in respect of assets are only to be included in a company's balance sheet under this item if either—

- (a) the assets were acquired for valuable consideration and are not required to be shown under goodwill, or
- (b) the assets in question were created by the company itself.

(3) *Goodwill*

(Formats 1 and 2, item B.I.3.)

Amounts representing goodwill are only to be included to the extent that the goodwill was acquired for valuable consideration.

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(4) *Own shares*

(Formats 1 and 2, items B.III.7 and C.III.2.)

The nominal value of the shares held must be shown separately.

(5) *Debtors*

(Formats 1 and 2, items C.II.1 to 6.)

The amount falling due after more than one year must be shown separately for each item included under debtors.

(6) *Prepayments and accrued income*

(Formats 1 and 2, items C.II.6 and D.)

This item may be shown in either of the two positions given in formats 1 and 2.

(7) *Debenture loans*

(Format 1, items E.1 and H.1 and format 2, item C.1.)

The amount of any convertible loans must be shown separately.

(8) *Payments received on account*

(Format 1, items E.3 and H.3 and format 2, item C.3.)

Payments received on account of orders must be shown for each of these items in so far as they are not shown as deductions from stocks.

(9) *Other creditors including taxation and social security*

(Format 1, items E.8 and H.8 and format 2, item C.8.)

The amount for creditors in respect of taxation and social security must be shown separately from the amount for other creditors.

(10) *Accruals and deferred income*

(Format 1, items E.9, H.9 and J and format 2, items C.9 and D.)

The two positions given for this item in format 1 at E.9 and H.9 are an alternative to the position at J, but if the item is not shown in a position corresponding to that at J it may be shown in either or both of the other two positions (as the case may require).

The two positions given for this item in format 2 are alternatives.

(11) *Net current assets (liabilities)*

(Format 1, item F.)

In determining the amount to be shown for this item any amounts shown under “prepayments and accrued income” must be taken into account wherever shown.

(12) Called up share capital

(Format 1, item K.I and format 2, item A.I.)

The amount of allotted share capital and the amount of called up share capital which has been paid up must be shown separately.

(13) Creditors

(Format 2, items C.1 to 9.)

Amounts falling due within one year and after one year must be shown separately for each of these items and for the aggregate of all of these items.

Profit and loss account formats(2)

Format 1
(see note (17) below)

1. Turnover
2. Cost of sales (14)
3. Gross profit or loss
4. Distribution costs (14)
5. Administrative expenses (14)
6. Other operating income
7. Income from shares in group undertakings
8. Income from participating interests
9. Income from other fixed asset investments (15)

(2) See regulation 4(3)(a) for exemption for medium-sized companies in accounts delivered to registrar of companies.

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10. Other interest receivable and similar income (15)
 11. Amounts written off investments
 12. Interest payable and similar charges (16)
 13. Tax on profit or loss on ordinary activities
 14. Profit or loss on ordinary activities after taxation
 15. Extraordinary income
 16. Extraordinary charges
 17. Extraordinary profit or loss
 18. Tax on extraordinary profit or loss
 19. Other taxes not shown under the above items
 20. Profit or loss for the financial year
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Profit and loss account formats(3)

Format 2

1. Turnover
2. Change in stocks of finished goods and in work in progress
3. Own work capitalised
4. Other operating income
5. (a) Raw materials and consumables

(3) See regulation 4(3)(a) for exemption for medium-sized companies in accounts delivered to registrar of companies.

- (b) Other external charges

- 6. Staff costs
 - (a) wages and salaries
 - (b) social security costs
 - (c) other pension costs

- 7. (a) Depreciation and other amounts written off tangible and intangible fixed assets
 - (b) Exceptional amounts written off current assets

- 8. Other operating charges

- 9. Income from shares in group undertakings

- 10. Income from participating interests

- 11. Income from other fixed asset investments (15)

- 12. Other interest receivable and similar income (15)

- 13. Amounts written off investments

- 14. Interest payable and similar charges (16)

- 15. Tax on profit or loss on ordinary activities

- 16. Profit or loss on ordinary activities after taxation

- 17. Extraordinary income

- 18. Extraordinary charges

- 19. Extraordinary profit or loss

- 20. Tax on extraordinary profit or loss

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

21. Other taxes not shown under the above items

22. Profit or loss for the financial year

Profit and loss account formats(4)

Format 3
(see note (17) below)

A. Charges

1. Cost of sales (14)
2. Distribution costs (14)
3. Administrative expenses (14)
4. Amounts written off investments
5. Interest payable and similar charges (16)
6. Tax on profit or loss on ordinary activities
7. Profit or loss on ordinary activities after taxation
8. Extraordinary charges
9. Tax on extraordinary profit or loss
10. Other taxes not shown under the above items
11. Profit or loss for the financial year

B. Income

(4) See regulation 4(3)(a) for exemption for medium-sized companies in accounts delivered to registrar of companies.

1. Turnover
 2. Other operating income
 3. Income from shares in group undertakings
 4. Income from participating interests
 5. Income from other fixed asset investments (15)
 6. Other interest receivable and similar income (15)
 7. Profit or loss on ordinary activities after taxation
 8. Extraordinary income
 9. Profit or loss for the financial year
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Profit and loss account formats(5)

Format 4

A. Charges

1. Reduction in stocks of finished goods and in work in progress
2.
 - (a) Raw materials and consumables
 - (b) Other external charges
3. Staff costs
 - (a) wages and salaries
 - (b) social security costs
 - (c) other pension costs

(5) See regulation 4(3)(a) for exemption for medium-sized companies in accounts delivered to registrar of companies.

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

4. (a) Depreciation and other amounts written off tangible and intangible fixed assets
- (b) Exceptional amounts written off current assets
5. Other operating charges
6. Amounts written off investments
7. Interest payable and similar charges (16)
8. Tax on profit or loss on ordinary activities
9. Profit or loss on ordinary activities after taxation
10. Extraordinary charges
11. Tax on extraordinary profit or loss
12. Other taxes not shown under the above items
13. Profit or loss for the financial year

B. Income

1. Turnover
2. Increase in stocks of finished goods and in work in progress
3. Own work capitalised
4. Other operating income
5. Income from shares in group undertakings
6. Income from participating interests

7. Income from other fixed asset investments (15)

8. Other interest receivable and similar income (15)

9. Profit or loss on ordinary activities after taxation

10. Extraordinary income

11. Profit or loss for the financial year

Notes on the profit and loss account formats

(14) Cost of sales: distribution costs: administrative expenses

(Format 1, items 2, 4 and 5 and format 3, items A.1, 2 and 3.)

These items must be stated after taking into account any necessary provisions for depreciation or diminution in value of assets.

(15) Income from other fixed asset investments: other interest receivable and similar income

(Format 1, items 9 and 10; format 2, items 11 and 12; format 3, items B.5 and 6 and format 4, items B.7 and 8.)

Income and interest derived from group undertakings must be shown separately from income and interest derived from other sources.

(16) Interest payable and similar charges

(Format 1, item 12; format 2, item 14; format 3, item A.5 and format 4, item A.7.)

The amount payable to group undertakings must be shown separately.

(17) Formats 1 and 3

The amount of any provisions for depreciation and diminution in value of tangible and intangible fixed assets falling to be shown under items 7(a) and A.4(a) respectively in formats 2 and 4 must be disclosed in a note to the accounts in any case where the profit and loss account is prepared using format 1 or format 3.