

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 8

#### FORM AND CONTENT OF ACCOUNTS PREPARED BY SMALL COMPANIES]

**F1** SR 1997/436

## PART IV

### INTERPRETATION OF SCHEDULE

**F1** Order repealed (prosp.) by [Companies Act 2006 \(c. 46\), ss. 1284\(2\), 1295, 1300\(2\), Sch. 16](#) and the repeal being partly in force, as to which see individual Articles (with savings (with adaptations) by Companies Act 2006 (Commencement No. 6, Saving and Commencement Nos. 3 and 5 (Amendment)) Order 2008 (S.I. 2008/674), arts. 2(3), {4}, Sch. 2) and subject to amendments (6.4.2008) by [Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\), arts. 2\(2\), 3\(1\)\(b\)\(2\), Sch. 1 paras. 135, 147, 148 {Sch. 2 Note 1}](#) (with arts. 6, 11, 12) and subject to amendments (6.4.2008) by [S.R. 2008/133, {regs. 2, 3}](#)

**52.** The following paragraphs apply for the purposes of this Schedule and its interpretation.

#### ***Financial instruments***

**52A.** References to “derivatives” include commodity#based contracts that give either contracting party the right to settle in cash or in some other financial instrument, except when such contracts—

- (a) were entered into for the purpose of, and continue to meet, the company’s expected purchase, sale or usage requirements,
- (b) were designed for such purpose at their inception, and
- (c) are expected to be settled by delivery of the commodity.

**52B.—(1)** The expressions listed in sub#paragraph (2) have the same meaning as they have in Council Directive [78/660/EEC](#) on the annual accounts of certain types of companies, as amended.

(2) Those expressions are “available for sale financial asset”, “business combination”, “commodity#based contracts”, “derivative”, “equity instrument”, “exchange difference”, “fair value hedge accounting system”, “financial fixed asset”, “financial instrument”, “foreign entity”, “hedge accounting”, “hedge accounting system”, “hedged items”, “hedging instrument”, “held for trading purposes”, “held to maturity”, “monetary item”, “receivables”, “reliable market” and “trading portfolio”.

**Status:** Point in time view as at 01/01/2006.

**Changes to legislation:** There are currently no known outstanding effects for the The Companies (Northern Ireland) Order 1986 (revoked), PART IV. (See end of Document for details)

### **Historical cost accounting rules**

53. References to the historical cost accounting rules shall be read in accordance with paragraph 29.

### **Investment property**

53A. “Investment property” means land held to earn rent or for capital appreciation.

### **Listed investments**

[<sup>F1</sup>54].—[<sup>F1</sup>(1) “Listed investment” means an investment as respects which there has been granted a listing on—

- (a) a recognised investment exchange other than an overseas investment exchange; or
- (b) a stock exchange of repute outside Northern Ireland.

(2) “Recognised investment exchange” and “overseas investment exchange” have the meaning given in Part 18 of the Financial Services and Markets Act 2000.]

F1 SI 2001/3649

### **Loans**

55. A loan is treated as falling due for repayment, and an instalment of a loan is treated as falling due for payment, on the earliest date on which the lender could require repayment or (as the case may be) payment, if he exercised all options and rights available to him.

### **Materiality**

56. Amounts which in the particular context of any provision of this Schedule are not material may be disregarded for the purposes of that provision.

### **Provisions**

57.—(1) References to provisions for depreciation or diminution in value of assets are to any amount written off by way of providing for depreciation or diminution in value of assets.

(2) Any reference in the profit and loss account formats set out in Part 1 to the depreciation of, or amounts written off, assets of any description is to any provision for depreciation or diminution in value of assets of that description.

58. References to [<sup>F2</sup> provisions for liabilities] are to any amount retained as reasonably necessary for the purpose of providing for any liability [<sup>F2</sup> the nature of which is clearly defined and] which is either likely to be incurred, or certain to be incurred but uncertain as to amount or as to the date on which it will arise.

F2 SR 2004/496

### **Staff costs**

59.—(1) “Social security costs” means any contributions by the company to any state social security or pension scheme, fund or arrangement.

(2) “Pension costs” includes any costs incurred by the company in respect of any pension scheme established for the purpose of providing pensions for persons currently or formerly employed by the company, any sums set aside for the future payment of pensions directly by the company to current or former employees and any pensions paid directly to such persons without having first been set aside.

(3) Any amount stated in respect of the item “social security costs” or in respect of the item “wages and salaries” in the company's profit and loss account shall be determined by reference to payments made or costs incurred in respect of all persons employed by the company during the financial year under contracts of service.

**Status:**

Point in time view as at 01/01/2006.

**Changes to legislation:**

There are currently no known outstanding effects for the The Companies (Northern Ireland) Order 1986 (revoked), PART IV.