

Status: Point in time view as at 06/04/2005.

Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Cross Heading: Fixed assets. (See end of Document for details)

SCHEDULES

[^{F1X1} SCHEDULE 8

FORM AND CONTENT OF ACCOUNTS PREPARED BY SMALL COMPANIES]

Editorial Information

X1 Sch. 8: the earliest available versions of Sch. 8 and its contents are those having effect on 16.11.1992

Textual Amendments

F1 Sch. 8 substituted (1.3.1997) by S.I. 1997/220, reg. 2(2), Sch. 1

PART II

ACCOUNTING PRINCIPLES AND RULES

SECTION B

HISTORICAL COST ACCOUNTING RULES

Fixed assets

General rules

^{F1}17 Subject to any provision for depreciation or diminution in value made in accordance with paragraph 18 or 19 the amount to be included in respect of any fixed asset shall be its purchase price or production cost.

Textual Amendments

F1 Sch. 8 substituted (1.3.1997) by S.I. 1997/220, reg. 2(2), Sch. 1

^{F2}18 In the case of any fixed asset which has a limited useful economic life, the amount of—

- (a) its purchase price or production cost; or
- (b) where it is estimated that any such asset will have a residual value at the end of the period of its useful economic life, its purchase price or production cost less that estimated residual value;

shall be reduced by provisions for depreciation calculated to write off that amount systematically over the period of the asset's useful economic life.

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Textual Amendments

F2 Sch. 8 substituted (1.3.1997) by S.I. 1997/220, reg. 2(2), Sch. 1

- ^{F3}19 (1) Where a fixed asset investment of a description falling to be included under item B.III of either of the balance sheet formats set out in Part I of this Schedule has diminished in value provisions for diminution in value may be made in respect of it and the amount to be included in respect of it may be reduced accordingly; and any such provisions which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.
- (2) Provisions for diminution in value shall be made in respect of any fixed asset which has diminished in value if the reduction in its value is expected to be permanent (whether its useful economic life is limited or not), and the amount to be included in respect of it shall be reduced accordingly; and any such provisions which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.
- (3) Where the reasons for which any provision was made in accordance with sub-paragraph (1) or (2) have ceased to apply to any extent, that provision shall be written back to the extent that it is no longer necessary; and any amounts written back in accordance with this sub -paragraph which are not shown in the profit and loss account shall be disclosed (either separately or in aggregate) in a note to the accounts.

Textual Amendments

F3 Sch. 8 substituted (1.3.1997) by S.I. 1997/220, reg. 2(2), Sch. 1

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