

SCHEDULES

SCHEDULE 17

GROUP REAL ESTATE INVESTMENT TRUSTS: MODIFICATIONS

Financial statements

- 31 (1) This paragraph sets out the requirements referred to in paragraph 5(2) for financial statements in respect of a group to which Part 4 applies in relation to an accounting period of the principal company.
- (2) The principal company shall prepare—
- (a) a financial statement for G (property rental business) for the accounting period,
 - (b) a financial statement for G (property rental business) in respect of its UK business, and
 - (c) a financial statement for G (residual) for the accounting period.
- (3) A financial statement under sub-paragraph (2)(a) or (c) shall specify, in relation to each member—
- (a) income (calculated in accordance with international accounting standards),
 - (b) expenses (calculated in accordance with international accounting standards),
 - (c) profits before tax excluding gains or losses on property (whether realised or not) calculated in accordance with international accounting standards, and
 - (d) assets valued—
 - (i) at the beginning of the accounting period,
 - (ii) in accordance with international accounting standards,
 - (iii) using fair value where there is a choice, and
 - (iv) disregarding liabilities secured against or otherwise relating to the assets.
- (4) A financial statement under sub-paragraph (2)(b) shall specify, in relation to each member, profits calculated in accordance with section 120.
- (5) Where a non-member of the group holds a percentage of the beneficial interest in a member (other than the principal company), the financial statements for G (property rental business) and G (residual) shall exclude that percentage of income, expenses, gains, losses, assets and liabilities of the member.
- (6) Percentages of beneficial interest for the purpose of sub-paragraph (5) shall be determined by reference to beneficial entitlement to profits available for distribution to equity holders.
- (7) The Commissioners for Her Majesty's Revenue and Customs may by regulations—
- (a) make further provision relating to the content of a financial statement (which may, in particular—

Status: This is the original version (as it was originally enacted).

- (i) permit or require apportionment or otherwise prescribe or refer to accounting practice,
 - (ii) provide for the inclusion or exclusion of specified income, expenses, gains, losses, assets and liabilities,
 - (iii) make provision about the treatment of an interest in a business held by a member),
- (b) prescribe the form of a financial statement, and
- (c) specify a time before which a financial statement must be supplied to the Commissioners.