
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations specify the form and content of the accounts of limited liability partnerships (LLPs), other than those subject to the small LLPs regime, under Part 15 of the Companies Act 2006 (c.46) (“the 2006 Act”), as applied to LLPs with modifications by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (S.I. 2008/1911). They do so by applying to LLPs, with modifications, provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (S.I. 2008/410). The accounts of small LLPs are dealt with separately in the Small Limited Liability Partnerships (Accounts) Regulations 2008 (S.I. 2008/1912).

The Regulations replace provisions previously contained in the Schedules to Part 7 of the Companies Act 1985 (c.6) (“the 1985 Act”) and in the Schedules to Part 8 of the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) (“the 1986 Order”) as applied to LLPs with modifications by the Limited Liability Partnerships Regulations 2001 (S.I. 2001/1090) and the Limited Liability Partnerships Regulations (Northern Ireland) 2004 (SR (NI) 2004/307). The Regulations extend to the whole of the United Kingdom, reflecting the extent of the 2006 Act. The Regulations come into force on 1st October 2008 and apply to financial years beginning on or after that date (regulation 2). The corresponding provisions of the 1985 Act or the 1986 Order as applied to LLPs with modifications continue to apply to accounts for financial years beginning before that date.

Regulation 3 of, and Schedule 1 to, the Regulations specify the form and content of the individual accounts of an LLP the members of which are preparing non-IAS individual accounts (as defined in section 395 of the 2006 Act as applied to LLPs). Schedule 1 re-enacts Schedule 4 to the 1985 Act and Schedule 4 to the 1986 Order as applied to LLPs, with two substantive modifications. Paragraph 36(4) of Schedule 1 gives LLPs the option of including financial instruments in the accounts at a fair value provided that they may be so included under international accounting standards adopted under the IAS Regulation (as defined in section 474(1) of the 2006 Act as applied to LLPs) on or before 5th September 2006, and provided that the disclosures required by such standards are made. Paragraph 70 requires LLPs to make certain disclosures about transactions with related parties.

Regulation 4 specifies certain exemptions for medium-sized LLPs the members of which are preparing non-IAS individual accounts. It re-enacts the exemptions in section 246A of the 1985 Act and in Article 254A of the 1986 Order as applied to LLPs, save that medium-sized LLPs are required to disclose their turnover in the accounts delivered to the registrar of companies. Medium-sized LLPs are exempted from making the disclosures about related party transactions required by paragraph 70 of Schedule 1 to the Regulations.

Regulation 5 of, and Schedule 2 to, the Regulations specify information about related undertakings which the members of an LLP must include in the notes to the individual or group accounts, whether they are non-IAS or IAS individual accounts. The Schedule re-enacts Schedule 5 to the 1985 Act and Schedule 5 to the 1986 Order as applied to LLPs.

Regulation 6 of, and Schedule 3 to, the Regulations specify the form and content of non-IAS group accounts (as defined in section 403 of the 2006 Act as applied to LLPs). The Schedule re-enacts Schedule 4A to the 1985 Act and Schedule 4A to the 1986 Order as applied to LLPs, save that paragraphs 9, 13 and 17 have been simplified to facilitate convergence with international accounting standards.

Regulation 7 of, and Schedule 4 to, the Regulations contain general interpretation provisions. An Impact Assessment of the effect that these Regulations will have on the costs of business, charities or voluntary bodies has been prepared and is available from the Department for Business,

Changes to legislation: *There are currently no known outstanding effects for the The Large and Medium-sized Limited Liability Partnerships (Accounts) Regulations 2008. (See end of Document for details)*

Enterprise and Regulatory Reform, Corporate Law and Governance Directorate, 1 Victoria Street, London SW1H 0ET. It is also available electronically at <http://www.berr.gov.uk/bbf/llp/page39897.html>. Copies have also been placed in the libraries of both Houses of Parliament.

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