
STATUTORY INSTRUMENTS

2016 No. 575

**The Limited Liability Partnerships, Partnerships
and Groups (Accounts and Audit) Regulations 2016**

PART 3

**Amendments to the Small Limited Liability
Partnerships (Accounts) Regulations 2008**

Amendments to Section A of Part 1 of Schedule 1 (general rules and formats for balance sheets and profit and loss accounts: non-IAS individual accounts)

34. In Section A of Part 1 of Schedule 1 (general rules and formats for balance sheets and profit and loss accounts: non-IAS individual accounts)—

(a) in paragraph 1 (general requirements for format of balance sheets and profit and loss accounts)—

(i) after sub-paragraph (1) insert—

“(1A) But, subject to the following provisions of this Schedule, in relation to an LLP which qualifies as a micro-entity in relation to a financial year (see sections 384A and 384B of the 2006 Act)—

(a) the only items which must be shown on the LLP’s balance sheet for that year are those listed in either of the balance sheet formats in Section C of this Part, and

(b) the only items which must be shown on the LLP’s profit and loss account for that year are those listed in the profit and loss account format in Section C.”;

(ii) in sub-paragraph (2), after “Section B” insert “and Section C”; and

(iii) at the beginning of sub-paragraph (3) insert “Subject to paragraph 1A, ”;

(b) after paragraph 1 insert—

“**1A.**—(1) Where appropriate to the circumstances of an LLP’s business, the members of the LLP may, with reference to one of the formats in Section B, draw up an abridged balance sheet showing only those items in that format preceded by letters and roman numerals, provided that—

(a) in the case of format 1, note (3) of the notes to the formats is complied with,

(b) in the case of format 2, notes (3) and (8) of those notes are complied with,

(c) all of the members of the LLP have consented to the drawing up of the abridged balance sheet.

(2) Where appropriate to the circumstances of an LLP’s business, the members of the LLP may, with reference to one of the formats in Section B, draw up an abridged profit and loss account, combining under one item called “Gross profit or loss”—

- (a) items 1, 2, 3 and 6 in the case of format 1, and
- (b) items 1 to 5 in the case of format 2,

provided that, in either case, all of the members of the LLP have consented to the drawing up of the abridged profit and loss account.

(3) Such consent as is referred to in sub-paragraphs (1) and (2) may only be given as regards the preparation of, as appropriate, the balance sheet or profit and loss account in respect of the preceding financial year.

1B.—(1) The members of the LLP may adapt one of the balance sheet formats in Section B so to distinguish between current and non-current items in a different way, provided that—

- (a) the information given is at least equivalent to that which would have been required by the use of such format had it not been thus adapted, and
- (b) the presentation of those items is in accordance with generally accepted accounting principles or practice.

(2) The members of the LLP may, otherwise than pursuant to paragraph 1A(2), adapt one of the profit and loss account formats in Section B, provided that—

- (a) the information given is at least equivalent to that which would have been required by the use of such format had it not been thus adapted, and
- (b) the presentation is in accordance with generally accepted accounting principles or practice.

1C. So far as is practicable, the following provisions of this Section apply to the balance sheet or profit and loss account of an LLP notwithstanding any such abridgment or adaptation pursuant to paragraph 1A or 1B.”;

- (c) in paragraph 2 (general requirement for continuous use of formats for balance sheets and profit and loss accounts), for “paragraph 1” substitute “paragraph 1(1)”;
- (d) after paragraph 2 insert—

“(2A) Where in accordance with paragraph 1(1A) an LLP’s balance sheet or profit and loss account for any financial year has been prepared by reference to one of the formats in Section C, the members of the LLP must use the same format in preparing non-IAS individual accounts for subsequent financial years, unless in their opinion there are special reasons for a change.”;

- (e) in paragraph 6 (profit and loss account must show amount of profit and loss before taxation)—
 - (i) after “profit and loss account” insert “other than one prepared by reference to the format in Section C”; and
 - (ii) omit “on ordinary activities”; and
- (f) after paragraph 9 (requirement to have regard to the substance of a reported transaction or arrangement) insert—

“**9A.** Where an asset or liability relates to more than one item in the balance sheet, the relationship of such asset or liability to the relevant items must be disclosed either under those items or in the notes to the accounts.”.