

### Do I need to prepare accounts?

In the UK all Limited Companies and Limited Liability Partnerships (LLPs) must keep adequate accounting records - this is the responsibility of the director(s)/members of the entity. On an annual basis each company/LLP must submit these to the registrar of companies in a statutory format. These documents are known as financial statements.

### What options are available to me?

There are a number of reporting standards available to companies/LLPs in the UK when preparing financial statements:

- IFRS
- FRS 101 (Reduced Disclosure for Qualifying Entities)
- FRS 102
- FRS 102 (Reduced Disclosure for Qualifying Entities)
- FRS 102 Section 1A (for small entities)
- FRS 105 (for micro-entities)

The decision as to which standard to apply will vary depending on the requirements of each entity.

### What if my company/LLP is part of a group?

When a UK company is the parent of a group, that UK company may be required to prepare consolidated accounts. Exemptions are available to smaller entities or entities within a larger group structure, where an ultimate parent files group accounts.

There may also be a requirement for a statutory audit depending on the size of the group in which the UK sits.

### What if my company/LLP hasn't traded?

Dormant entities must still file financial statements; however, these involve fewer disclosures than normal financial statements.

A company is deemed to be dormant if during its financial year there have been no significant transactions, significant being a transaction that a company should enter into its accounting records.

### Are there different rules for LLPs?

The short answer is yes. LLPs must still follow one of the reporting standards set out above. However, they are required to make certain disclosures which are set out and defined by the LLP SORP (Statement of Recommended Practice).

### How can we help?

F&L Corporate Reporting Services (CRS) has expertise in preparing financial statements from core records and monthly management accounts.

Our dedicated team offer assistance and advise in relation to applicable reporting standards and required accounting policies.

We can assist in preparing or reviewing financial statements in all formats listed above and ensure compliance with current company law and accounting standards.

*Updated June 2018. The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.*

### For more information, contact:

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