

LBCA Chartered Accountants Companies House Penalties

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Companies House late filing penalties

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Companies House late filing penalties

Introduction

All limited companies and limited liability partnerships (LLPs) must file copies of their financial accounts at Companies House. Every company and LLP has an accounting reference date which determines the date that its financial year ends. This is also the date that determines when accounts are due for delivery to Companies House.

All limited companies and LLPs must also provide copies of their audited accounts to Companies House, within a specified period of time - the filing deadline - following the end of its financial year, also known as the accounting reference date.

This requirement to file annual accounts applies to all companies and LLPs, including small companies such as flat management companies.

This guide explains how a late filing penalty is imposed on a business if its accounts are not filed in time, how you can avoid these penalties, what happens when a penalty has been imposed and how to appeal.

Late filing penalties explained

All limited companies - public and private - and limited liability partnerships (LLPs) must file their annual accounts and reports on time. If they fail to do so, they face an automatic fine. The time allowed for filing depends on whether the accounts are the first or subsequent ones and whether it is a private limited or public limited company.

Filing first accounts

For private companies and LLPs, if the first accounts cover more than 12 months, they must be delivered to Companies House within 21 months of the date of incorporation, or three months from the end of the accounting reference period, whichever comes later. If the accounts are for 12 months or less, they must be delivered within nine months of the end of the accounting reference period.

For public limited companies, if the first accounts cover more than 12 months, they must be delivered to Companies House within 18 months of the date of incorporation.

Subsequent accounts

In subsequent years, private companies and LLPs have nine months from the end of the accounting reference period to file the accounts, and public limited companies have six months. If the accounting reference period is changed, the filing time may be reduced.

Late filing penalties

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The amount of penalty charged depends on when the accounts are filed.

Penalties for delays in filing accounts

Length of delay (from the date the accounts are due)	Penalty for private companies and LLPs	Penalty for public limited companies
Not more than one month	£150	£750
More than one month and less than three months	£375	£1,500
More than three months and less than six months	£750	£3,000
More than six months	£1,500	£7,500

The penalties are doubled for late filing in two successive financial years beginning on or after 6 April 2008 (for companies) or 1 October 2008 (for LLPs).

Fines on directors and designated members of LLPs

Failure to file accounts is a criminal offence which can result in directors, companies or designated members of LLPs being fined personally. The Registrar may also strike the company or LLP off the public record. If a late filing penalty is not paid, it can result in enforcement proceedings.

How to avoid a late filing penalty

It's important to allow enough time for your accounts to reach Companies House within the period allowed. If the filing deadline expires on a Sunday or bank holiday, you need to take this into account. To help you file on time:

- make a diary note of the filing deadline to remind you in good time
- read the filing reminders Companies House send to your registered office
- tell your accountants and remind them as appropriate to prepare and deliver your accounts on time

First-class post does not guarantee next-day delivery, so it is worth thinking about using guaranteed delivery methods such as couriers. The most secure and cost-efficient way of filing company documents is to use the Companies House WebFiling service. For more information, see our guide on [using WebFiling on Companies House](#).

If there is a special reason why your accounts may be filed late, you can apply to extend the period allowed, but an extension will only be granted if the reasons are exceptional.

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What happens when a penalty has been imposed?

If you deliver accounts for a company or limited liability partnership (LLP) late, Companies House automatically issue a penalty notice to the registered office address. This gives details of the penalty, including the last date for filing, the date of filing of the accounts and the amount of the penalty. It also includes information about how to pay the penalty.

If you don't pay the penalty, Companies House will ask debt collectors to take action. If you still fail to pay, they will take action in the County Court or Sheriff Court, where you will be given the chance to file a defence. You may want to avoid legal action, because Companies House will seek to recover their legal costs if the court finds against you.

Restoring a company or LLP to the register

If you restore a company or LLP to the register after it has been struck off and dissolved it will not have to pay penalties for the period it was dissolved. However, you will still need to pay any penalties:

- outstanding on accounts from before it was dissolved
- for accounts delivered on restoration if they were overdue at the date the business was dissolved

You can read more in our guide on [company and LLP strike-off, dissolution and restoration](#).

Late filing penalty appeals

You can always appeal against a penalty, but it will only be successful if you can show that the circumstances are exceptional, because the Registrar has very limited discretion on collecting a penalty. An example of exceptional circumstances could be a fire destroying the financial records of the company or limited liability partnership (LLP) a few days before the filing deadline.

The following situations are outside the Registrar's discretion and cannot be considered for an appeal:

- your company is dormant
- you cannot afford to pay
- your accountant was ill
- you relied on your accountant
- these are your first accounts
- you are not familiar with the filing requirements
- your company or its directors have financial difficulties (including bankruptcy)

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- your accounts were delayed or lost in the post
- the directors live or were travelling overseas
- another director is responsible for preparing the accounts

If you still want to appeal, you must do so in writing to the address shown on the front page of the penalty notice. You will normally get a reply within ten working days, and any recovery action will be suspended while the appeal is considered.

If your appeal is rejected, you can write to the senior appeals manager in the Late Filing Penalties Department at the appropriate Companies House office (shown on the penalty notice). If the senior appeals manager upholds the penalty, you can ask for the Independent Adjudicators to review your case, but you should not contact them until you have heard from the senior appeals manager. [Read about the role of the adjudicator on the Companies House website - Opens in a new window.](#)

Paying by instalments

If you have difficulty in paying the penalty in a lump sum, you can usually pay in four monthly instalments - in exceptional circumstances you can pay in up to ten instalments, depending on the amount you have to pay. You must ask in writing to pay in instalments, explaining the reasons why you can't pay the penalty outright.

Related guides on businesslink.gov.uk

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Related web sites you might find useful

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