

CO.RS.07

CHF – SH19 (Section 644 & 649)

The [Share Capital Reduction – Guidance](#)

The Companies Act 2006 introduced the ability for private limited companies to reduce the amount of their share capital.

Since 1 October 2008 private limited companies have been able to reduce their share capital by special resolution and obtaining court approval.

In order to reduce the amount of share capital, private limited companies must submit to Companies House the following:

- the special resolution;
- the solvency statement;
- a statement of capital showing the proposed reduction (Form SH19 (Section 644 & 649));
- a further statement of the directors confirming that the special resolution was passed within 15 days of the date of the solvency statement;
- (since 6th April 2010) Fee of £50 for the service.

This document is in PDF format and can be found on the Companies House website by clicking on the link: <https://www.gov.uk/government/publications/reducing-share-capital-in-a-private-limited-company-sh19>

read in advance of this document.

private limited companies only to reduce the amount of their share capital.

Alternative to passing a special resolution, private limited companies can reduce the amount of their share capital by a statement made by the directors.

Under the solvency statement route, private limited companies must submit to Companies House the following within 15 days:

• a statement of capital showing the proposed reduction of the company's share capital in Form SH19 (Section 644 & 649);

• a further statement of the directors confirming that the special resolution was passed within 15 days of the date of the solvency statement was made; and
• (since 6th April 2010) Fee of £50 for a same day service.

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