

counts, Audit and other

This Guidance Note is design company and specifically the le as well as the time limits for stat

St

Document / Event

Report and accounts

Annual Return

Statutory filings time limits		
The company's directors are reformation about the company		
Secretary – Appointment & Ro		
esponsibility rests with the directed in the specified, together with the time line.		

in relation to the administration of a ing the accounts and audit requirements ies House.

that Companies House has up-to-date ry has been appointed (see: Company gated to that individual (though ultimate ets out the main documents that need to

	Form
the Legal Return	Companies House Form – Annual Return (CH-AR01)
ths of the eference Date	n/a
/S	Companies House Form – Appointment of Director (CH- AP01)
/S	Companies House Form – Termination of Appointment of Director (CH- TM01)
/S	Companies House Form – Notice of Resolution Removing Auditors From Office (CH- AA03)
s of resolution to remove auditor	Companies House Form – Notice of

Resolution

AA03)

Removing Auditors From Office (CH-

Appointment of director
Removal and resignation of dir
Removal and resignation of co secretary

Returns of allotments		onth from the date	Companies House Form – Return of Allotment of Shares (CH-SH01)	
Shareholders' resolutions that a company's constitution, such as special resolution of change of		rs of passing the	n/a	
Change of registered office	A	rs of the Board n the resolution authorising the	Companies House Form – Change of Registered Address (CH- AD01)	
How to deal with Companies H				
Information can be sent to Comcompleted online (known as 'W Further information is available of		r standard forms, some of which can be fee is lower than a postal submission). website.		
Alternatively the forms can be p available on the Simply-docs site		d returned by post. Most of the forms are		
Failure to send the required doc to penalties and a criminal recor		civil and criminal offence, which can lead		
How to prepare and file an ann				
An annual return is a snapshot secretary (where one has be shareholders.		about the company's directors, company red office address, share capital and		
Every registered company must than the anniversary of the correturn if that is a different date (that is known as the Legal Re House within 28 days of the legal		n each year, made up to a date not later r the anniversary of the company's last e-2006 Companies Act companies). This return must be submitted to Companies		
It is a criminal offence not to deli date. Companies House may pro		al return within 28 d	ays of the legal return	
If the company's registers are annual return.		a relatively simple	task to complete the	

Preparation and distribution o

Preparing the annual account

The preparation of accounts for requirement for companies to us if directors are uncertain about the state of the preparation of accounts for the preparation of the

The directors' report provides a

A company's financial year is companies, the first accounting anniversary falls. The subseque date each year. For example, if reference date would be 30 June

The accounting reference date of <u>Form – Change of Account Reference</u> for filing of the accounts.

The board of directors must parameters and approval of Statutory Accounts balance sheet of the company shareholder approval.

If a private company's articles members at a general meeting, remove that provision (See: 4 Association (CO.AA.02)).

Distributing the report and acc

Before they are filed with the re distributed, regardless of the si holders of debentures and perso are sent by post, they can be se

A company may pass a resoluti may send or supply documents members always have the right to

Filing the report and accounts

Private companies must file the accounting reference date. Fails the law imposes a civil penalty of

Small and Medium Sized comp

Every company needs to prepar medium-sized company can file with Companies House.

the duty of the directors. There is no tant to prepare their accounts. However, by consider seeking professional advice.

and creates a context for the figures.

counting Reference Date. For all new le last day in the month in which its first dates will automatically be on the same prated on 1 June 2008 its first accounting very year thereafter.

tting form AA01 (See: Companies House to Companies House before the last date

ng the accounts (See: <u>Board Minutes</u> director must be authorised to sign the s, there is no statutory requirement for

he company must lay accounts before ass a shareholders' special resolution to esolution – Amendment of Articles of

e full set of report and accounts must be pies must be sent to every shareholder, tice of general meetings. If the accounts of each member and debenture holder.

ts articles to the effect that the company members via a website. In any event,

panies House within 9 months of the on time is a *criminal offence*. In addition, ing of accounts.

counts

tion to shareholders. However, a small or counts, known as 'abbreviated accounts'





In order to qualify for an exemp the table below.

Small comp

Turnover must not e £6.5 million

Balance sheet total* exceed £3.26 million

Average number of less than 50

* Balance sheet total

The requirements for companie and 16 of the Companies Act companies are set out in Sch Directors' Report) Regulations 2

The 2006 Act and the Regulation contain. Such a report does not amount that the directors recommended in the contains the

If the accounts are abbreviated must state that in the auditor's of accordance with the Companies if the company is exempt from a

Micro-entities

The Small Companies (Micro-Regulations 2013) came into fo years ending on or after 30 Sep preparing Companies Act indisimplified financial statements (pexemption applies to companies companies formed and registere 2006 have the benefit of the m following criteria:

•Balance sheet total: £316,000

•Net turnover: £632,000

Average number of employees

meet two out of the three size criteria in

lium-sized company

ust not exceed £25.9 million

eet total must not exceed

mber of employees less

ts plus the current assets

mpanies' regime are set out in Parts 15 mat and content of accounts for small Companies and Groups (Accounts and

directors' report of a small company must siness review or a statement as to the dividend.

require a special auditor's report which ntitled to deliver abbreviated accounts in a special auditors report is not necessary

ulations 2013 (SI 2013/3008) (SCMEA 3 and have effect in respect of financial ulations provide the smallest companies ne opportunity to prepare and publish I balance sheet) if they wish. The microsunder the small companies regime. Only and registered) under the Companies Act p-entity is defined as meeting two of the

: 10 (or fewer).

Micro-entities will be able to draw will also continue to be exemp Companies House. Further deta

Is an audit required?

In a private company, an auditor directors resolve otherwise on the (Section 485 Companies Act 200

Audit exemption for small compa

There is exemption from audit for eligible and wish to take advanta

- (i) qualify as 'small (see above)
- (ii) have a turnover of not more
- (iii) have a balance sheet total of

Even if a small company meets the member or members holding at leading 10% of any class of share

An audit-exempt company still ne accounts will still need to be distr

Appointment of an auditor

The 'period for appointing auditor members (the 28 day period star accounts and reports, or if earlier actually sent out).

The normal regime is that auditor any of the following apply:-

- the auditor was appoin
- the company's Articles
- the company receives shareholders represen entitled to vote on a rethe Articles of Associat
- the shareholders have
- the directors have pass appointed for the finan

The simplest way of dealing w general meeting (by way of or year after year.

In practice, the first set of audifinancial year. If the members

e sheet and profit and loss account. They to file the profit and loss account with IS website.

ich financial year, unless the counts are unlikely to be required n must be reasonable.

companies but only if they are dit exemption, a company must

lion.

nave the accounts audited if a value of issued share capital, or

ompanies House, and full unaudited company.

ng the circulation of the accounts to allowed for sending out the annual nnual accounts and report were

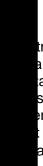
ed by the members each year, unless

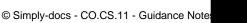
tment, or
automatic re-appointment from
al voting rights of all shareholders
should not be reappointed (unless
entage), or

t he should not be re-appointed, or at no auditor or auditors should be

reholders to appoint the auditor in they can be deemed reappointed

y the directors during the first or for the subsequent financial year





(during the period for appointing circulated), the 'deemed reapp

Appointment of auditors by

In private companies, the direction (See: <u>Board Minutes – First Minutes – Fir</u>

Appointment of auditors by

The shareholders may appoin Shareholders' Ordinary Resol for appointing auditors' or who failed to make an appointment

Removal of the auditor by th

The shareholders of a compar is very similar to that required

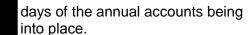
- the removal can only <u>Shareholders' Ordina</u> (CO.ARA.02)) to that
- the meeting must be
- a copy of the intende upon receipt by the c
- the auditor may make length, and request the Unless the represent copy of the represent representations is no because of the comp heard orally) require to

Form AA03 (See: <u>Companies</u> <u>Office (CH-AA03)</u>) must be file meeting removing the auditor.

Resignation of the auditor

If the auditor wishes to resign, accompanied by a statement of unless he considers that there attention of shareholders or crideposit a statement to that eff auditors will trigger the need for Appointment of Auditors (CO.

The company must send a column within 14 days of receipt (See (CO.ARA.03)).



the first auditor of the company ctors (CO.CA.MM.03). The directors /'s first 'period for appointing auditors' d, at any time before the next 'period

n ordinary resolution (See:

<u>uditors (CO.ARA.01)</u>) during a 'period er to appoint an auditor but have

neral meeting

r from office at any time. The process n office:

g of an ordinary resolution (See: of Auditors and Replacement ng of the shareholders; 3 days);

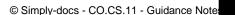
to the auditor affected immediately

ig to the company of a reasonable
ie company are notified of them.
oo late, the company must send a
ice of the meeting. If a copy of the
cause it is received too late or
r may (without affecting his right to be
are read out at the general meeting.

Resolution Removing Auditors from within fourteen days of the general

e company. The notice must be nected with his ceasing to hold office, ces that need to be brought to the n which case, the auditor must stered office). The resignation of the Board Minutes – Resignation and

ation notice to Companies House use – Auditor's Resignation Letter





If the auditor supplies a staten has the right to deposit a signe company to convene a general

The auditor can request the coof a reasonable length of the of meeting convened on his requoffice would have expired (had proposed to fill the vacancy can be convened to the convened to the

The directors must proceed to after the date on which the au too late, the company must co the meeting. If a copy of the st because of the company's def orally) require that the statement

Alternatively, the company ma application). If the court decide defamatory matter, they may of order the auditor to pay the coentitled to be sent copies of the the order within 14 days of the

If the court does not decide the defamatory matter, then the count who is entitled to be sent copied.

connected with his resignation, he tice, calling on the directors of the lders of the company at once.

shareholders a statement in writing with his resignation either before the leral meeting at which his term of general meeting at which it is

ing for a day not more than 28 days less the statement is received by it hareholders when they give notice of because it is received too late or thout affecting his right to be heard eral meeting.

must notify the auditor of the g to secure needless publicity for a tatement need not be sent out and III or in part. Every person who is a statement setting out the effect of

secure needless publicity for a s of the statement to every person 14 days of the court's decision.