

GRAINGER &amp; PLATT

ACCA

## NEWSLETTER

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## COMPANY UPDATE

### DEADLINE FOR FILING ACCOUNTS WITH COMPANIES HOUSE REDUCED BY 1 MONTH

With effect from 6 April 2008, new rules were implemented which reduce the time allowed for companies to deliver their accounts to Companies House.

These new rules apply for accounting periods starting on or after 6 April 2008 - so companies with a year end of 30 April 2009 are most likely to be the first affected.

The change which will affect most of our clients will be the private company deadline for submitting accounts, which has been reduced from the existing 10 months after the end of the accounting period down to 9 months.

The deadline corresponds to the company's year end date, officially called the accounting reference date (ARD). Where this falls on the last day of the month, the deadline date will be the last day of the month 9 months later. So for a year end of 30 April, the deadline will be 31 January.

Please note that if a filing deadline expires on a Sunday or Bank Holiday, you must still file your accounts by that date. It is your responsibility to ensure that your accounts are posted in time to reach Companies House **before** the Sunday or Bank Holiday!

You may well be thinking, "Well it's only a month", but **BEWARE** the new penalty regime.....



*For more detailed information, please visit the Companies House website at*

[http://  
www.companieshouse.gov.uk/  
about/gbhtml/gba5.shtml](http://www.companieshouse.gov.uk/about/gbhtml/gba5.shtml)

### LATE FILING PENALTIES FOR COMPANY ACCOUNTS INCREASED BY 275%

The penalties imposed when companies fail to file their accounts at Companies House on time have been increased with effect from Sunday 1 February 2009. The new, higher penalties will apply if the accounts are filed on or after that day, even if the due date for filing was earlier. For example, if a private company's accounts for the year to 29 February 2008, which should have been filed by 29 December 2008, are not filed until 10 February 2009, the new penalty regime will apply.

Where accounts are filed less than a month late, or more than a year late, penalties are to be increased by 50% - roughly in line with inflation since the penalties were last fixed in 1992. However, from February penalties begin to escalate once the accounts are more than a month late, and reach their maximum at the six month point. This formula increases penalties for accounts filed more than a month, but not more than a year late, by 200% or 275%, as shown in the table below:

Late By..	New	Old	Inc
Up to 1 mth	£150	£100	<b>50%</b>
Up to 3 mth	£375	£100	<b>275%</b>
Up to 6 mth	£750	£250	<b>200%</b>
Up to 12 mth	£1500	£500	<b>200%</b>
12 mth +	£1500	£1000	<b>50%</b>

The penalties apply equally to dormant companies and to flat management companies.

Note that the new penalty will be **doubled** where:

- the company had also failed to file its accounts for the previous financial year on time; and
- That earlier began on or after 6 April 2008.

Accordingly, the first year for which a doubled penalty is likely to apply is for the year to 30 April 2010, where the accounts for the year to 30 April 2009 were also filed late.