



Companies House

— for the record —

As modified by the Companies Act 2006

Company Formation

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Department for Business
Enterprise & Regulatory Reform

When reading these guidance notes, you need to be aware of the following:

Some (but not all) of the provisions in the Companies Act 2006 have come into force. Therefore, some provisions in the Companies Act 1985 remain relevant. We have tried as far as possible to make it clear throughout these notes which Act applies. If you would like to find out more you may wish to visit our website at www.companieshouse.gov.uk where you can find out which provisions in the respective Acts are in force. Our website also contains a link to the BERR (The Department for Business, Enterprise and Regulatory Reform) website www.berr.gov.uk/bbf/co-act-2006 where you can find further information. Some provisions in the new Act are subject to transitional arrangements. We will as far as possible explain these in this guidance and give details on our website.

There are two further stages in the implementation of the Companies Act 2006 scheduled for October 2008 and October 2009. We will update any guidance notes affected by those implementations at the time. You may wish also to keep an eye on our website where we will publish more information as the implementation process continues so you can access the most up to date information.

Until October 2009, these guidance notes apply only to companies formed in Great Britain (England, Wales and Scotland). The separate system in Northern Ireland is then scheduled to merge into a single system for the whole of the United Kingdom.

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This is a guide only and should be read with the relevant legislation

Introduction

This booklet deals with the requirements for the formation of private companies limited by shares, private companies limited by guarantee, public limited companies and unlimited companies. It explains the difference between these types of company and the formation documents, membership, capital and officers that each requires.

The booklet does not explain in any detail the controls that apply to the use of certain company names. For further information on this, please read our booklet, '[Company Names](#)'.

All companies must disclose certain information to Companies House for the public record and to the people they deal with. This booklet tells you:

- When you must notify changes in the company's circumstances and particulars to Companies House;
- Publication of company name and details to be shown on company stationery;
- Filing of accounts and annual returns; and
- What happens if I do not send the information to Companies House on time.

This booklet is only intended as an introduction to these continuing obligations. We refer to other booklets in this series as appropriate throughout the text, as they will cover individual subjects in more detail.

Setting up a company brings many obligations. It may be worthwhile taking advice from a solicitor or accountant as to whether a company is the best way for you to run your business.

CHAPTER 1

New companies

A company is an ‘incorporated’ association formed to conduct business or other activities in the name of the association. Because it is incorporated, it has a legal personality distinct from those of its members

1. Is there more than one type of company?

There are four main types of company:

- **Private company limited by shares** – this is the most common type of company. The important difference from a public limited company is that a private company may not offer its shares for sale to the general public.
- **Private company limited by guarantee** – members of this type of company do not make any contribution to the capital during its lifetime as they do not purchase shares. The members' liability is limited to the amount that they each agree to contribute to the company's assets if it is wound up. .
- **Private unlimited company** – this type of company may or may not have a share capital and there is no limit to the members' liability. Because there is no limitation on members' liability, far less of the company's affairs have to be disclosed publicly than is the case with the other types of company.
- **Public limited company** – this type of company has a share capital and, the liability of each member is limited to the amount unpaid on shares that a member holds. The important difference from a private is that a public limited company may offer its shares for sale to the general public. It may also be quoted on the stock exchange.

A “private company” may be any of the first three on this list. Companies limited by guarantee and unlimited companies are private companies even if the word “private” is not used.¹

¹ There are still a few “companies limited by guarantee with a share capital”. It has not been possible to form these since 1981 and they are ignored in this guidance.

2. Who can form a company?

Companies' legislation generally allows one or more persons to form a company for any lawful purpose by subscribing to its memorandum of association. However, a public company or an unlimited company must have at least two subscribers (this rule will disappear when the Companies Act 2006 comes fully into force, scheduled for October 2009).

You can find information about companies formed by a single person in [chapter 3](#). (In law, 'person' includes individuals and companies).

3. How do I form a company?

Ready-made companies are available from company formation agents whose names and addresses appear in business directories. If you form a company yourself, you will need to send the following documents, together with the registration **fee** ([see question 16 below](#)) to Companies House:

- A memorandum of association
- Articles of association (except where Table A is adopted without modification - [see question 8](#));
- [A completed Form 10](#); and
- [A completed Form 12](#).

Each of these documents is explained below. If you want the company's registered office (see [question 8](#) below) to be in England or Wales, you should send them to Companies House in Cardiff. If you want it to be in Edinburgh, you should send them to Companies House in Edinburgh. (See our addresses at the end of this guidance.)

4. What is a memorandum of association?

This is a written document, which sets out:

- the company's name;
- whether the [registered office](#) of the company is to be situated in England and Wales (i.e., it may be situated in either), in Wales (i.e., it may be situated only in Wales) or in Scotland;
- what the company will do (its objects). The object of a company may simply be to carry on business as a general commercial company;
- where applicable, that the liability of its members is limited
- where applicable, the amount of share capital with which the company proposes to be registered and details of the division of those shares into fixed amounts; and
- in the case of a public limited company, the fact that it is to be a public company ([see Chapter 2 below](#)).

Each subscriber must sign the company's memorandum in front of a witness who must also sign the memorandum before it is sent to Companies House. In the case of a company limited by shares, each subscriber must take at least one share in the company and the number of shares that each subscriber takes must be written against the relevant subscriber's name.

Regulations set out the form a memorandum should take. These are explained at [question 6](#) below.

5. What are articles of association?

This document sets out the rules for the running and regulation of the company's internal affairs.

The company's articles of association that are delivered to Companies House must be signed by each subscriber in front of a witness who must also sign.

Regulations provide a complete set of articles of association. The articles for companies limited by shares are referred to as 'Table A'. There are two versions: one for private and one for public companies. A company limited by shares can adopt Table A in whole or in part as its own articles of association: but there is no requirement for it to do so, and it can if it wishes adopt Table A with modification or even totally different articles.

A company limited by shares that decides to adopt Table A without any modification will not need to provide Companies House with a copy of its articles of association. However, if your company is in this position, you should attach a letter to your application explaining that you have elected to adopt Table A without any modification.

NOTE: If you adopt Table A without modification then you will need to appoint at least two directors. However, a private company can have just one director, if its articles allow (see question 12). So if your company is to have only one director, you need to adopt a modified version of Table A. If Table A is adopted with modifications, you must deliver the articles for registration.

The Regulations also set out other forms of articles of association, which a company limited by guarantee (Table C) and an unlimited company (Table E) must adopt. These types of company **must** adopt the articles of association in those forms, or as close to those forms as possible (they do not have the choice which companies limited by shares do of adopting totally different articles).

Please note the following key restrictions on the use of Tables A and C as articles of association:

- Table C will not apply to Right to Manage companies or Commonhold Associations (both of which must be companies limited by guarantee). The relevant sources of memoranda and articles of association for these companies are set out in question 6(a) below.

- A Community Interest Company cannot simply adopt Table A (and so avoid submitting any articles of association with its application) because the memorandum and articles of association for Community Interest Companies must comply with specific regulations, which are referred to in question 6(b) below.

The source of Tables A, C and E and the relevant Regulations are set out in question 6 below.

6. How do I find copies of the relevant form of memorandum and articles of association for my company?

You may choose to buy a memorandum and articles of association suitable for your particular type of company from a law stationer or company formation agent. Alternatively, you may prepare them yourself from the Regulations detailed below (a company limited by guarantee and an unlimited company **must** use those Regulations). Companies House cannot supply you with a memorandum or articles of association.

Although this booklet should not be seen as a comprehensive guide to this subject, the key regulations dealing with memorandum and articles of association and the companies to whom they apply are summarised below.

- The Companies (Tables A to F) Regulations 1985 (Statutory Instrument 1985/805), which contain the following information:
 - (a) Articles of association for a company (in two versions, public and private) limited by shares- Table A;
 - (b) A memorandum of association for a private limited company- Table B;
 - (c) A memorandum and articles of association for a company limited by guarantee without a share capital- Table C;
 - (d) A memorandum and articles of association for a company limited by guarantee with a share capital- Table D; (companies of this sort can no longer be formed);
 - (e) A memorandum and articles of association for an unlimited company with a share capital- Table E; and
 - (f) A memorandum of association for a Public Limited Company - Table F

These regulations have been amended by -

- the Companies (Tables A to F) (Amendment) Regulations 1985, (Statutory Instrument 1985/1052);
- the Companies Act 1985 (Electronic Communication) Order 2000 (Statutory Instrument 2000/3373);
- the Companies (Tables A to F) (Amendment) Regulations 2007 (Statutory Instrument 2007/2541); and

- the Companies (Tables A to F) (Amendment) (No.2) Regulations 2007(Statutory Instrument 2007/2826);

- Amendments to the Tables in the Regulations apply only to companies formed on or after the date on which the changes come into force. They do not affect the articles of association of companies formed before then, even if those articles are Table A, C or E without modification. If an existing company decides it wants to adopt some or all of the provisions in an amended Table it will need to pass a resolution to make these changes. The Tables do not apply to Right to Manage companies or Commonhold Associations. The memorandum and articles for these types of companies are set out in:
 - (a) *For Right to Manage companies:* ‘The RTM Companies (Memorandum and Articles of Association (England) Regulations 2003’ (Statutory Instrument 2003/2120) or ‘The RTM Companies (Memorandum and Articles of Association (Wales) Regulations 2004’ (*Statutory Instrument 2004/675 (W.64)*)
 - (b) *For Commonhold Associations:* ‘The Commonhold Regulations 2004’ (Statutory Instrument 2004/1829)
- The articles of association for a Community Interest Company must comply with the requirements of the ‘Community Interest Companies Regulations 2005’ (Statutory Instrument 2005/1788). You can find sample Community Interest Companies’ memoranda and articles of association on the Community Interest Company regulator’s website at www.cicregulator.gov.uk.

Tables A, C and E as recently amended can be found on the link shown below:

www.berr.gov.uk/files/file45416.doc

7. What is Form 10?

Form 10 gives details of the first director(s), secretary and the intended address of the registered office. As well as their names and addresses, the company’s directors must give their date of birth, nationality, occupation and details of other directorships they hold or have held within the last five years. Each officer appointed and each subscriber (or their agent) must sign and date the form.

Note: Private companies no longer have to have a company secretary, although they can choose for their articles of association to require them to have one. If you are forming a private company, you will only need to complete the secretary details on the Form 10 if your company has chosen to be required by its articles of association to appoint a secretary. All public companies must continue to have a qualified company secretary – see Chapter 2 question 4.

8. What is a registered office?

It is the official address of the company and the address to which Companies House will send letters and reminders. The registered office can be anywhere in England and Wales (if your company is registered there), or in Scotland (if your company is

registered there), or in Wales if your memorandum of association says that the registered office must be there (see question 4 above). The registered office must always be an effective address for delivering documents to the company, and to avoid delays it is important that you deal with all correspondence sent to this address promptly. If your company wants to change its registered office address after formation, you must notify the new address to Companies House on a [Form 287](#) for the change to take effect.

Valid addresses

Companies House uses the Post Office address file to verify addresses; so, to avoid delays, please ensure that the Post Office recognises your proposed registered office and always give the correct postcode on forms sent for registration.

9. What is the minimum number of officers a company requires?

Every company must have formally appointed company officers at all times.

A private company must have at least one director. However, the company's articles of association may require more than one. A private company does not have to have a company secretary unless the company's articles of association expressly require the company to have one. For more information on articles of association see [questions \(5\) and \(6\)](#) above.

A public company must have at least:

- 2 directors;
- 1 secretary - formally qualified, see [chapter 2](#).

All company officers have wide responsibilities in law. We explain the key requirements in our booklet, ['Directors and Secretaries Guide'](#).

After the company has been formed, you must tell Companies House about:

- the appointment of a new officer - use [Form 288a](#);
- the termination of an appointment of an officer of the company - use [Form 288b](#);
- changes in an officer's name or address or any of the other personal details originally registered on Form 10 - use [Form 288c](#).; and/or
- any change in the registered office address – use form 287.

You can notify Companies House of any of the above changes online via WebFiling, electronically using a suitable Software Filing package or by sending paper documents to us by post – see [Chapter 7](#).

10. Can anyone be a company director?

In general terms, yes, but there are some rules. You can't be a company director if:

- you are an undischarged bankrupt; or
- you are disqualified from holding a directorship,

unless the court has given you permission to act in respect of a particular company or companies;

The Companies Act 1985 does not impose a minimum age limit for a director to be appointed in England and Wales, provided that he or she is capable of consenting to their own appointment. You should consider seeking legal advice if you intend to have a very young person as a director of your company.

The position in Scotland is that we will not accept a form recording the appointment of a director under the age of 16 years old for registration. A child under 16 years old does not have the legal capacity to accept a directorship - Age of Legal Capacity (Scotland) Act 1991. If you need more information, contact Companies House, [Edinburgh](#).

From 1st October 2008, the Companies Act 2006 will introduce a minimum age of 16 years old for directors of companies. Any director appointed before 1st October 2008 who has not reached the age of 16 years old before that date will automatically cease to be a director on 1st October 2008.

Some people not of British or other EU nationality are restricted as to what work they may do while in this country. If you need more information about whether such a person can become a director of a UK-registered company, contact:

Home Office Immigration and Nationality Department
Lunar House
Wellesley Road
Croydon
CR9 2BY (Tel: 0870 606 7766)

11. What is a Form 12?

Form 12 is a statutory declaration of compliance with all the legal requirements relating to the formation of a company. A solicitor who is forming the company or one of the people named as a director or secretary of the company on Form 10 must sign the form. It must be signed in the presence of a suitably qualified person, for example a commissioner for oaths, a notary public, a justice of the peace or a solicitor.

Signing the declaration on Form 12

- Form 12 must be signed and dated after all the other documents are signed and dated. This is because Form 12 confirms that all other registration requirements have been complied with.
- The form must clearly show if a person has signed on behalf of a corporate director. If it appears that the person who signed is not a director, this will cause delay.

12. What about Community Interest Companies?

Community Interest Companies are a new type of limited company designed specifically for those wishing to operate for the benefit of the community rather than for the benefit of the members of the company. More information about Community Interest Companies, the criteria for forming a Community Interested Company, the relevant legislation and whether a Community Interest Company may be an appropriate vehicle for your business can be found on the Regulator for Community Interest Companies' website at [/www.cicregulator.gov.uk](http://www.cicregulator.gov.uk)

When forming a Community Interest Company we require a Form CIC 36 in addition to the required documents listed in question 3 above. This form is a community interest statement signed by the first directors of the company and a declaration that the company, when formed, will not be an excluded company and that it will carry on its activities for the benefit of the community, or a section of the community.

The following are excluded companies;

- (a) a company which is (or when formed would be) a political party;
- (b) a company which is (or when formed would be) a political campaigning organisation;
or
- (c) a company which is (or when formed would be) a subsidiary of a political party or of a political campaigning organisation.

An example of a completed Form CIC 36 and further guidance can be found on the Regulator for Community Interest Companies' website at www.cicregulator.gov.uk.

13. Can I choose any name I want for my company?

No. There are restrictions on your choice of company name. Our booklet, 'Company Names', explains how those restrictions may affect your choice of name.

14. Can I reserve the name once I have checked that it is available?

No. You cannot reserve names. We cannot guarantee to process formation applications in strict order of the time or date of their receipt. In the unlikely event that we received more than one application to register the same name at the same time, only the first one to be processed would be registered. Then we would refuse the second application because the name would then already be on the index of company names. Companies House could not give any guarantee as to which application we would process first. In general, company formation applications that are delivered electronically are processed more quickly than equivalent applications that are delivered on paper.

Company name checks

It is important to check that the name you want for your company is acceptable to Companies House before you complete the company formation documents.

Briefly, Companies House will not register a name that:

- is the same name as another name on the register;
- contains a word or words, the use of which would constitute a criminal offence; or
- is likely to be considered offensive.

You should also check whether your chosen name is **similar** to any other names already on the register. If your chosen name is too like another name, you could be directed by the Secretary of State within the 12 months following the formation of your company to change the company's name.

In addition, if there is a trade mark registration which is identical or similar to the company name you have chosen and you are in the same type of business you may face legal action for a trade mark infringement. You can check the trade marks register at The UK Intellectual Property Office before registering a name at Companies House.

For further advice, including how to search the trade marks register, contact The UK Intellectual Property Office on 08459 500 505 or view their website at www.ipo.gov.uk.

The Patent Office changed its name to UK Intellectual Property Office (UK- IPO) on 2 April 2007.

Some words will require the permission of the Secretary of State or some other specified body before you can use them.

Please note that this is just a brief summary of the restrictions to be aware when considering forming a new company.

15. What happens to the documents sent to Companies House?

All company formation documents are subject to certain checks including checks of prospective officers against the Disqualified Directors' Register as maintained by Companies House.

Assuming that the documents satisfy the necessary checks, Companies House will register them and make them available for public inspection.

16. How much does Companies House charge to form a company?

Paper filing.

Our standard registration fee is £20 and we process documents within 5 days after being received. If you want your company to be formed sooner you may want to use our premium service, which provides formation on the same day as we receive the formation documents. However, to opt for this service you must deliver the documents to Companies House by hand before 3pm.

Posted, couriered and other sealed same-day applications must be clearly marked on the envelope “Same-day Incorporation”

Software Filing service.

The standard fee is £15 and the premium same-day service is £30. To form a company electronically, you must either purchase suitable software or develop your own software. Visit our website www.companieshouse.gov.uk for more information.

When forming a Community Interest Company an additional fee of £15 has to be paid to the Regulator for Community Interest Companies.

Companies House will collect this fee on behalf of the Regulator. Please see Chapter 4, Question 5 below or check on the Community Interest Companies website at www.cicregulator.gov.uk for further information regarding fees. Please note that the premium same day service will not be available to Community Interest Companies for the foreseeable future.

You should make cheques payable to Companies House.

17. Where can I obtain forms which I need to form a company?

Forms 10 and 12 are available free of charge from Companies House but we cannot provide a memorandum or articles of association. You can obtain specimens of these documents from legal stationers, accountants, solicitors or company formation agents who can also supply Forms 10 and 12. Names and addresses are available in business phone books.

When forming a Community Interest Company you can obtain a Form CIC 36 from the Regulator of Community Interest Companies' website at www.cicregulator.gov.uk.

18. Can I deal directly with Companies House to form my company?

Yes. However, while our staff will be happy to give you guidance on general matters (such as filling in forms or advice on company names) they cannot advise you about the content of your company's memorandum and articles, or whether a company is the best vehicle for your business. If you are unsure about any aspect of forming a company, you should consider seeking professional advice from a solicitor, accountant or company formation agent.

CHAPTER 2 Public companies

1. What is a public company?

A limited company with a share capital will be classed as a public company if:

- it has been registered or re-registered as a public company on or after 22nd December 1980;
- its memorandum states that it is a public company;
- its name ends with 'Public Limited Company' or 'PLC' (or, if it is a Welsh company, – that is, a company the memorandum of which says that its registered office must be in Wales – it may use the Welsh equivalents, namely 'Cwmni Cyfyngedig Cyhoeddus' or 'CCC') ; and
- It has an authorised share capital of at least £50,000 **or** at least €65,600 and states this in its memorandum.

A public company's articles may be as set out in Table A. For more information on articles of association see Chapter 1, Questions [5] and [6] above.

The following additional point applies to a Community Interest Company that is also a public company:

- its name must end with 'community interest public limited company' or 'community interest p.l.c.' (or, if it is a Welsh company, it may use the Welsh equivalents, namely 'cwmni buddiant cymunedol cyhoeddus cyfyngedig' or 'cwmni buddiant cymunedol c.c.c').
- sample memoranda and articles of association for such companies can be found on the Regulator of Community Interest Companies' website at www.cicregulator.gov.uk

2. When can a public company start business?

A newly formed public company must not begin business or exercise any borrowing powers until Companies House has issued a trading certificate under section 761 of the Companies Act 2006 (previously under section 117 of the Companies Act 1985).

Companies House will issue a Trading Certificate to a public company if it is satisfied that the value of the company's allotted share capital is not less than £50,000 or €65,600. This requirement must be wholly satisfied either in sterling or in euros, as a mixture of both will not be sufficient to meet the legal requirements. (This does not prevent the rest of the company's capital being in a mixture of sterling, euros and even other currencies.)

You can apply for a trading certificate by submitting an application to Companies House on a [Form 117](#) modified to take account of changes made by the Companies Act 2006.

To assist applicants, Companies House has produced a modified version of Form 117, which takes account of the changes ([revised Form 117](#)). You may wish to take legal advice on the modifications needed to be able to continue to use [Form 117 \(current\)](#).

Once issued, the trading certificate is proof that the company is entitled to do business and to exercise borrowing powers. Companies House will normally post you the certificate, but we can fax a copy for collection at any Companies House office if you request this when you deliver your application form.

Please note that further information about share capital is available in our booklet, '[Share Capital and Prospectuses](#)'.

3. Can a public company issue shares in another currency?

Yes, a public company may issue shares in a currency other than sterling (or, as the case may be, euros) provided that it is part of its authorised share capital. A company may use as many currencies as it wishes for its share capital provided that they are true currencies.

However, this does not alter the initial requirement relating to the minimum allotted share capital that a public company must have. That requirement is explained above and can only be satisfied in sterling, or, if a company makes a specific election to that effect, in euros. No other currency will be taken into account for that purpose.

4. Are there any other restrictions on a public company?

Yes. There are several key restrictions:

- A public company must have at least two members and at least two company directors (who could also be members of the public company);
- A public company must have at least one secretary, who must appear to the directors to have the necessary knowledge and ability to fulfil the functions and who meets at least one of the following qualifications;

(a) has held the office of secretary of a public company for at least three of the five years before their appointment; or

(b), is a barrister, advocate or solicitor called or admitted in any part of the United Kingdom; or

(c) is a person who, by virtue of his or her previous experience or membership of another body, appears to the directors to be capable of discharging the functions of secretary; or

(d) is a member of any of the following bodies:

- the Institute of Chartered Accountants in England and Wales;
- the Institute of Chartered Accountants of Scotland;
- the Institute of Chartered Accountants in Ireland;
- the Institute of Chartered Secretaries and Administrators;
- the Association of Chartered Certified Accountants;
- the Chartered Institute of Management Accountants (formerly known as the Institute of Cost and Management Accountants); or
- the Chartered Institute of Public Finance and Accountancy.

- A public company cannot take advantage of many of the provisions and exceptions applying to private companies under the Companies Acts, such as audit exemptions for small private companies;
- A public company cannot apply for voluntary strike-off under section 652A, Companies Act 1985. Further information about this is available in our booklet ['Strike-Off, Dissolution and Restoration'](#); and
- A public company normally has only 6 months after the end of its 'accounting reference period' (7 months for financial years which begin before 6 April 2008) to deliver its accounts and reports to Companies House: but its first accounts must be delivered within 18 months of formation or 3 months after the end of its first accounting reference period, whatever is later. A civil penalty will be incurred if it delivers accounts to Companies House after the statutory time allowed for filing. Penalties are fully explained in our booklet, ['Late Filing Penalties'](#).

([See Chapter 6](#), Questions 1-5 below for more information)

5. What then is the advantage of a public company?

A public company has access to capital markets and can offer its shares for sale to the public (usually, although not exclusively), through a recognised [stock exchange](#). It can also issue advertisements offering any of its securities for sale to the public. In contrast, a private company with a share capital cannot offer its shares to the public.

6. Do these rules apply to an overseas public company?

Most of the above rules do not apply to a company formed abroad. On establishing a branch or place of business in Great Britain, companies formed outside the United Kingdom and Gibraltar has to comply with the rules in Part XXIII of the Companies Act 1985.

However, in addition to the regulations imposed in the country in which it was formed and the requirements of Part XXIII of the Act, an overseas public company is also governed by certain parts of the Financial Services and Markets Act 2000, and by the City Code on Take-overs and Mergers.

CHAPTER 3

Single member companies

1. What is a single member company?

A single member company is a private company, limited by shares or by guarantee, which is formed with one member, or whose membership is reduced to one.

2. How can a sole member hold general meetings?

A single member - present in person or by proxy - constitutes a quorum in these circumstances. If you hold such a meeting you must record it in the minutes.

If, as a sole member you take a decision, except by written resolution of the company, a written record of the decision must be given to the company. (This is to ensure continuity of records if you sell some or all of your interest in the company.)

3. How should a company record an unwritten contract with a sole member?

If the company enters into an unwritten contract with the sole member who is also a director of the company (and the contract is not in the ordinary course of the company's business), the company must ensure that the terms of the contract are set out in a memorandum or are recorded in the minutes of the next director's meeting.

4. What about the register of members?

A company's register of members must accurately record its members.

If a company is formed with one member, then the register must reflect this. The register of members of a single member company must contain an express statement to the effect that the company has only one member and state the date upon which the company became a single member company.

If the company originally had more than one member and the membership reduces to one, then the register must contain an express statement to the effect that the company has only one member and state the date upon which the company became a single member company.

If the membership of a single member company later increases, you must record the details of the new member in the register of members. You should enter an express statement to the effect that the company is no longer a single member company and the date on which that event occurred.

CHAPTER 4

Re-registration of a company and conversion of a company to a Community Interest Company

1. Can a private company convert to a public company?

Yes. Both a private company limited by shares and an unlimited company with a share capital may re-register as a public company, but a company without a share capital cannot do so. A private company wishing to become a public company must pass a special resolution that it should be so re-registered as a public company and deliver a copy of the resolution together with an application form to Companies House. The resolution must also:

- alter the company's memorandum so that it states that the company is to be a public company;
- make any other alterations to the memorandum as are necessary so as to ensure that it conforms with the requirements that relate to a public limited company; and
- make any necessary alterations to the articles of association of the company

Further information about resolutions is available in our guidance booklet, '[Resolutions](#)'.

A director or secretary of the company must sign the application which must be on [Form 43\(3\)](#), and be accompanied by the following:

- a copy of the memorandum and articles of association of the company altered in accordance with the special resolution discussed above;
- a copy of a balance sheet prepared not more than 7 months before the application date, together with a copy of an unqualified report by the company's auditors;
- a copy of a written statement by the company's auditors stating that in their opinion the net assets of the company at the balance sheet date were not less than the company's called-up share capital and its undistributable reserves;
- a copy of a valuation report relating to any shares that are allotted as fully or partly paid up other than in cash, after the balance sheet date but before the passing of the special resolution;

- a statutory declaration made by a director or secretary of the company on Form 43(3)(e) confirming that the company has passed the resolution, and that there has been no change in the company's financial position causing its net assets to be reduced to less than the aggregate of its called-up share capital and undistributable reserves; and
- An appointment Form 288a if the company does not have an appointed secretary, as a public company requires a qualified company secretary.

In addition to the above requirements, a private company seeking re-registration as a public company must, at the time of passing the special resolution to re-register, have an allotted share capital with a nominal value of not less than £50,000 or €65,600. Each of the allotted shares must be paid up to at least a quarter of the nominal value and the whole of any premium.

Please Note: If you wish to re-register as a public company and elect to satisfy the minimum share capital requirement in euros rather than in sterling, this election needs to be made by adopting Form 43(3). To assist applicants, Companies House has produced a modified version of Form 43(3) which complies with the requirement to make a specific election to use euros. If you wish, you can continue to use the prescribed Form 43(3) but you will need to adapt it when making the election to use euros.

The unmodified and prescribed Form 43(3) continues to be the proper form to use for companies satisfying the minimum share capital requirement in sterling.

An unlimited company, in addition to the above, must:

- include a statement in its special resolution that the liability of the members is to be limited and what the company's share capital is to be; and
- make such alterations to the memorandum and articles of association as are necessary for them to conform to those of a company limited by shares.

2. Can a public company convert to a private company?

Yes. A public company may re-register as a private company limited by shares or by guarantee by passing a special resolution to do so. However, if enough members object to the passing of the resolution, they may apply to the Court (under section 54 of the Companies Act 1985) to cancel the resolution. This application needs to be made within 28 days of the resolution being passed. The Court can either cancel or confirm the special resolution upon hearing such an application.

The application that is submitted to Companies House for re-registration must be on a Form 53. The Form 53 must be accompanied by copies of the resolution and copies of the company's memorandum and articles of association, as modified to meet the company's new circumstances.

The Court may also order a public company to re-register as private on approving a 'minute of reduction' of share capital which results in the issued share capital falling below the statutory minimum.

In such a case the Court will also specify alterations to the company's memorandum and articles of association. A special resolution to re-register is not required in these circumstances.

Alternatively, a public company may have to re-register as private if its allotted share capital falls below the statutory minimum by means other than a Court Order. These include the forfeiture, surrender or acquisition_of shares.

In all cases (except where a court has specified in an order the alterations to be made) the company will need to pass a resolution to alter the memorandum and articles of association to meet the requirements of a private company.

3. What is the cost of re-registration (for companies excluding Community Interest Companies)?

The standard fee for re-registration is £20, or £50 for the premium same-day service. If the company is re-registering and changing its name at the same time, an additional change of name fee of £10 is also payable, so the total fee is £30 (or £100 for the premium same-day service). In summary the fees are:

- Change of name £10;
- Same-day change of name £50;
- Re-registration £20;
- Same-day re-registration £50;
- Simultaneous re-registration and change of name £30; and
- Same-day simultaneous re-registration and change of name £100.

Deleting the words 'company' or 'and company' (or their abbreviations or their Welsh equivalents) from a company name would normally be classed as a change of name. However, this is not so on re-registration. If you are in any doubt about the appropriate fee, please [contact us](#).

4. Can an existing company convert to a Community Interest Company?

Yes, an existing company can apply to the Regulator of Community Interest Companies if it wishes to convert to a Community Interest Companies. For further details, please refer to the Regulator of Community Interest Companies' website at www.cicregulator.gov.uk.

5. What are the fees for Community Interest Companies?

Companies House collect fees on behalf of the Regulator of Community Interest Companies. The full list of fees for Community Interest Companies is:

- Conversion to a Community Interest Company: £25 (£15 is attributable to Companies House and £10 to the Regulator of Community Interest Companies);

- Change of name: £10 (solely attributable to Companies House);
- Change of status (e.g. from private to public): £35 (£20 is attributable to Companies House and £15 to the Regulator of Community Interest Companies); and
- Simultaneous conversion to a Community Interest Company and a change of status (Re-registration): £35 (£20 is attributable to Companies House and £15 to the Regulator of Community Interest Companies).

Please note that same day services will not be available for Community Interest Companies for the foreseeable future.

CHAPTER 5

Publication of company name and details to be shown on company stationery

Under the Companies Act 1985 every company must state its name (as it appears in its memorandum of association) in certain places and on its business stationery. Every company must also give other specified information on all its business letters, order forms and websites.

1. Where must I display the company name?

Every company must paint or affix its name on the outside of every office or place in which its business is carried on - even if it is a director's home. The name must be kept painted or affixed and it must be both conspicuous and legible.

2. On which documents must I show the company name?

The company must state its name, in legible lettering, on the following:- (whether in hard copy, electronic or any other form):

- all the company's business letters and order forms;
- all its notices and other official publications;
- all bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by, or on behalf of, the company;
- all its bills of parcels, invoices, receipts and letters of credit; and
- on all its websites.

3. Must I show any other company details?

Yes. On all its business letters, order forms (whether in hard copy, electronic or any other form) and the company's websites, the company must show in legible lettering:

- Its place of registration and its registered number; and

- The address of its registered office. If a business letter or order form or any of the company's websites, mentions more than one address, it is recommended that you state which is the registered office address.

The place of registration must be one of the following, as appropriate:

<i>For companies registered in England and Wales:</i>	<i>For companies registered in Scotland:</i>
Registered in Cardiff	Registered in Scotland
Registered in England and Wales	Registered in Edinburgh
Registered in England	
Registered in London	
Registered in Wales	

4. Do I have to display directors' names?

A company does not have to state the directors' names on its business letters but, if it chooses to do so it must state the names of all its directors. In other words, a company cannot be selective about which directors' names it shows - it must show all of them or none of them.

5. Must anything else be shown?

Certain categories of company must also state the following additional information on their business letters, order forms, (whether in hard copy, electronic or any other form) and websites:

- For an investment company (as defined by section 833 of the Companies Act 2006) that it is such a company; and
- For a company exempt from using the word 'limited' in its name, the fact that it is a limited company.

For a company with share capital, it is not necessary to state the share capital on its stationery, order forms or websites but, if the company chooses to do so, it must state its paid-up share capital, not its authorised capital.

6. Are there special rules for charitable companies?

Section 68 of the Charities Act 1993 does not require a charitable company to include the word 'charity' or 'charitable' in its name.

This section provides that a charitable company whose name does not include the word 'charity' or 'charitable' must state the fact that it is a charity on all the documents listed under question 2, in all bills it sends and on any conveyances it executes.

The Charities Act 1993 does not apply to charitable companies registered in Scotland but the same rule applies to Scottish companies under an equivalent provision in section 112(6) of the Companies Act 1989.

7. Do the rules apply to overseas companies?

A company formed outside Great Britain which opens a branch or place of business in Great Britain must register with Companies House and must publicly display similar details to those set out in this chapter. Full details are listed in our booklet, 'Overseas Companies'.

8 What if the company is being wound up?

If the company is being wound up, every invoice, order for goods, business letter or order form (whether in hard copy, electronic or any other form) and all the company's websites must contain a statement that the company is being wound up.

CHAPTER 6

The new company - looking forward

Company directors have a personal responsibility for making information about the capital structure, management and activities of their companies available both to the members of the company and to the general public

1. Will I have to prepare company accounts?

Yes. For all companies with limited liability, an important feature of company law is the requirement that the directors of the company are generally required, once a year, to prepare accounts for the benefit of the company's members and to file a set of accounts with Companies House for entry on the public register.

There are detailed provisions (most of which are now found in the Companies Act 2006 and in regulations made under it) as to the form that your accounts must take. They also provide for whether they will need to be audited, whether they will need to be accompanied by any other reports when delivered to Companies House and who is entitled to view and obtain copies of your company's accounts. In general terms, if your company is a public company the accounting requirements will be greater than if your company is a small private company.

If your company is unlimited, accounts must be delivered to Companies House if:

- it is a subsidiary undertaking or parent of a limited company; or

- it has been a banking or insurance company or operated a trading stamp scheme during the period covered by the accounts.

You can find further information in our guidance booklet, '[Accounts and Accounting Reference Dates](#)'.

However, Companies House cannot advise on contents of company accounts. Therefore, we recommend that companies consider seeking professional advice when preparing accounts

2. What period should the accounts cover?

A company's first accounts must start on the day on which it was formed. The first financial year must end on the 'accounting reference date' or a date up to seven days either side of this date (see question 3 below). Subsequent accounts start on the day following the year-end date of the previous accounts. They end on the next 'accounting reference date' or a date up to seven days either side.

3. How is the accounting reference date set?

The accounting reference date is the date in each year by reference to which the company's financial year is determined. Its accounts will be drawn up for each financial year. For all new companies, the first accounting reference date is automatically set as the first anniversary of the last day in the month in which the company was formed. The subsequent accounting reference dates will automatically be on the same date each year. For example, if the company was formed on 6th April 2008 its accounting reference date would be set at 30th April 2009 and 30th April for every year thereafter.

4. Can I change the accounting reference date?

Yes. The quickest and easiest way to change your accounting reference date is to use our [Software Filing](#) or [WebFiling services](#). Alternatively, you can submit a change of accounting reference date form ([Form 225](#)) to Companies House. You must do this during the accounting period affected by the change or during the period allowed for delivering the associated accounts to us.

For more information, see our booklet, '[Accounts & Accounting Reference Dates](#)'.

5. How long do I have to deliver accounts?

This depends upon the "accounting reference period", which is the period of twelve months ending on each accounting reference date.

The accounts of a *private company* must be delivered:

- within 9 months of the end of the accounting reference period; or
- if the first accounting reference period is more than 12 months, within 21 months of the date of on which it was formed, or three months from the end of the accounting reference period, whichever is longer.

A public company must deliver its accounts:

- within 6 months of the end of the accounting reference period; or
- if the accounting reference period is more than 12 months, within 18 months of the date on which it was formed, or three months from the end of the accounting reference period, whichever is longer.

For accounting periods starting before 6 April 2008 the time allowed for filing accounts is one month more in all cases.

6. What about annual returns?

Every company must deliver an annual return to Companies House at least once every 12 months. This is a document that will give certain information about the company's affairs as at a particular date in the year, known as its 'legal return date'. The information required is set out in the Companies Act 1985.

Your company has 28 days from its legal return date to deliver the annual return to Companies House. For further information please see our booklet "[Annual Returns](#)".

7. What else must I tell Companies House?

Here are some of the important things that you must tell us about. In most cases there will be a time limit within which you must inform Companies House of the relevant change and a specially produced form that you must use to inform us of those changes.

Changes of director(s) and secretary, within 14 days. For:

- **appointments** - use our Software Filing or WebFiling services – (or [Form 288a](#))
- **terminations** - use our Software Filing or WebFiling services – (or [Form 288b](#))
- **change of personal details of company officers** - use our Software Filing or WebFiling services – (or [Form 288c](#))

Shares

- Details of new shares being allotted, within 1 month. Use our Software Filing or WebFiling services – (or [Form 88\(2\)](#)). See our booklet, '[Share Capital and Prospectuses](#)' for more information.

Resolutions

- Any special resolution and certain types of ordinary resolution (whether passed at a meeting or in writing), within 15 days of them being passed by the company.

- There is no special form but we need to receive a copy of the resolution. More information about company resolutions is available in our Resolution booklet, '[Resolutions](#)'.
- When a resolution alters the memorandum or articles of association of a company, you must also send a copy of the amended document in at the same time as the resolution.

Mortgages

- Details of certain mortgages or charges created by the company, within 21 days after the date of the charge's creation. See our booklet, '[Company Charges and Mortgages](#)' or for Scottish companies, '[Company Charges \(Scotland\)](#)'. The company will not however, need to do this if it is done by the person (such as a bank lending money) that has the benefit of the mortgage or charge.

Registered office address

- A change of registered office, within 14 days. Use our Software Filing or WebFiling services – (or [Form 287](#).) Please note that the change in address only becomes legally effective when Companies House has registered the notice that you submit informing us of the change

Electronic delivery of directors details and registered office address: The Registrar's PROOF (PROtected On-line Filing) Scheme

Company directors hold an important position in a company: they have power to make purchases and enter into credit arrangements on behalf of the company. Similarly, the registered office address is important because it is the address to which all official communications will be sent.

Records held at Companies House are sometimes used to check the legitimacy of a company and its directors before credit or loans are made therefore it is important that the records are correct. **Companies are vulnerable to fraud if the wrong people get themselves on record as company directors or a bogus registered office address is filed.**

In order to combat fraudsters posing as legitimate directors, Companies House offers companies a free, fully electronic and secure system for notifying changes of directors and changes to the registered office address. If you opt to only notify these electronically, they will be protected by electronic codes and we will not accept notices from your company delivered in any other format.

In order to take advantage of this service you will first need to register through our WebFiling service for a security code and an authentication code to enable your company to file electronically. To find out more about this please visit our web site at www.companieshouse.gov.uk.

You will then need to complete an 'Opt-in' form (PR1) and agree to the terms and conditions so that any change of directors or change of registered office address are **only** accepted by Companies House if they are delivered by the secure electronic method and never on a paper form.

The 'Opt-in' form and terms and conditions are available from our web site or by calling 0870 33 33 636. The completed form must be posted back to Companies House. This service is voluntary; you may opt-out at any time and Companies House will revert to accepting notices from your company delivered electronically or on paper forms.

8. What does Companies House do with the information my company sends?

Companies House must make the information that it holds about registered companies available to anyone who wants to see it. Companies House will therefore add the information that you send to your company's record and it will then be available for public inspection. However, some information will not be available for the public record, like the usual residential address of individuals who are beneficiaries of a Confidentiality Order.

9. What happens if I don't send the information to Companies House on time?

It is easy to lose confidence in a company that doesn't meet its legal obligations. If you don't tell us about your company's financial state on time, and you don't send in details of changes, anyone wanting to do business with you will not have access to the most up-to-date information about your company.

If you deliver your accounts late, there is an automatic penalty. This is between £100 and £1,000 for a private company and between £500 and £5,000 for a public company. These figures will increase from 1st February 2009. More information about late filing penalties is available in our booklet, 'Late Filing Penalties'.

In addition, directors may be prosecuted for not filing certain documents. If convicted, they will have a criminal record and be liable for a fine of up to £5,000 for each offence. In some cases, they could also be disqualified from being a company director or taking part in the management of a company for a specified period.

10. What if the company doesn't take off or I no longer need it?

Private companies that have not traded or otherwise carried on business for at least three months may apply to the Registrar to be struck off the register. For information on this, see our booklet 'Strike-off, Dissolution and Restoration' or for Scottish companies, 'Strike-off, Dissolution and Restoration' (Scotland).

This procedure is not an alternative to formal insolvency proceedings where these are appropriate - see our booklet 'Liquidation and Insolvency' or for Scottish companies, 'Liquidation and Insolvency' (Scotland).

CHAPTER 7 Further information

1. Where can I go for help?

Our staff in Cardiff and Edinburgh will be able to advise you on matters generally, but when you start a company it is important to get things right. So that you don't make what could turn out to be costly mistakes, it may be sensible to consult a solicitor, a company formation agent, a chartered secretary or an accountant as appropriate. Addresses will usually be found in the business telephone directories.

For enquiries about Community Interest Companies, please visit www.cicregulator.gov.uk

2. How do I send information to Companies House?

The safest and most secure way to send statutory information to Companies House is to use our online filing services. For more information and registration details please visit our website www.companieshouse.gov.uk

You may deliver documents to Companies House by hand (personally or by courier), including outside office hours, bank holidays and weekends to Cardiff, London and Edinburgh – see the back cover for addresses.

You may also send documents by post, by the Document Exchange Service (DX) or by Legal Post (LP) in Scotland. If you send documents please address them to:

For companies formed in England & Wales:	For companies formed in Scotland:
The Registrar of Companies Companies House Crown Way Cardiff CF14 3UZ DX33050 Cardiff 1	The Registrar of Companies Companies House 37 Castle Terrace Edinburgh EH1 2EB DX ED235 Edinburgh 1 LP-4 Edinburgh 2

We will only acknowledge receipt of documents at Companies House if you provide a stamped addressed envelope. If you are sending documents by post, courier, Document Exchange Service (DX) or Legal Post (LP) and would like a receipt,

Companies House will provide an acknowledgement if you enclose a copy of your covering letter with a pre-paid addressed return envelope. We will barcode your copy letter with the date of receipt and return it to you in the envelope provided.

Please note: an acknowledgement of receipt does not mean that Companies House has accepted a document for registration.

Companies House sends an automatic e-mail acknowledgement for every submission made via WebFiling and a later e-mail indicating whether the submission has been accepted or rejected.

Please note: Companies House does not accept accounts or any other statutory documents by fax.

3. Can I file documents in other languages?

Generally documents sent to Companies House must be in English. However, you may draw up and deliver documents relating to Welsh companies– that is, companies the memoranda of which say that their registered offices must be in Wales – in Welsh.

Companies may deliver the following documents in other languages if the document is accompanied by a certified translation into English:

- Resolutions and agreements affecting a company's constitution;
- Contracts relating to the allotment of shares for consideration other than cash;
- For companies included in accounts of larger EEA or non-EEA groups, (your accountant will know what these are) the group accounts and parent undertaking annual report; and
- Charge instruments (or copy charge instruments).

Companies may also file voluntary certified translations of any document subject to the 1st Directive disclosure requirements. These include:

- Constitutional documents such as the memorandum and articles of association;
- Directors appointments, changes in particulars or terminations;
- Accounts, reports and annual returns;
- Notification of any change in a company's registered office;
- Winding up documents;
- Share capital documents (public companies only);
- Documents relating to mergers and divisions (public companies only); and
- Documents relating to overseas companies.

The voluntary translation must relate to a document delivered to the registrar on or after 1st January 2007. Voluntary translations can only be filed in an official language of the European Union and must be accompanied by Form 1106.

4. Where do I get forms and guidance booklets?

This is one of a series of Companies House booklets which provide a simple guide to companies' legislation and a company's relationship with Companies House.

Statutory forms and guidance booklets are available, free of charge from Companies House. The quickest way to get them is through www.companieshouse.gov.uk or by telephoning 0870 33 33 636.

You can also obtain forms from legal stationers, accountants, solicitors and company formation agents, for which addresses can be found in business telephone directories.

How to contact us

Contact Centre: 0870 3333 636*
Mini-com: 029 2038 1245
enquiries@companieshouse.gov.uk
www.companieshouse.gov.uk

*For training and quality purposes
your call may be monitored

Cardiff:

Companies House
Crown Way, Cardiff CF14 3UZ
Fax: 029 2038 0900

Edinburgh:

Companies House
37 Castle Terrace, Edinburgh EH1 2EB
Fax: 0131 535 5820

London:

Companies House
21 Bloomsbury Street, London WC1B 3XD
Fax: 029 2038 0900