

Briefing Note: Confirmation Statement

Introduction

This guide is intended to provide an introduction to the Confirmation Statement and should not be relied upon as legal advice. Please contact us for advice on your specific circumstances.

Briefing Note
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For detailed advice on all Company Law matters please contact:

Mark Williams
Partner

01323 435900
mew@gabyhardwicke.co.uk

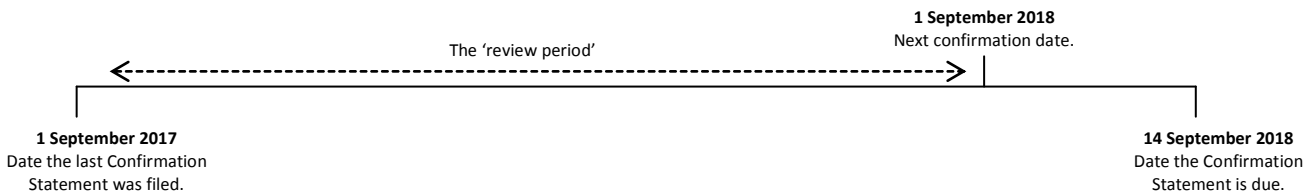
What is a Confirmation Statement?

On 30 June 2016 the Confirmation Statement replaced a company's yearly obligation to file an Annual Return. The Confirmation Statement serves largely the same purpose as the Annual Return i.e. for companies to confirm prescribed information about the company. It includes a statement confirming that all information required to be filed at Companies House for the period concerned, has been filed or is being filed with the Confirmation Statement.

Who must file a Confirmation Statement and when?

The requirement to file a Confirmation Statement applies to all companies (public and private) and includes small companies such as flat management companies and dormant companies. To file a Confirmation Statement you must use Form CS01 which must be filed at Companies House within 14 days of the end of the 'review period'. This is shorter than the 28 days allowed for the Annual Return.

The 'review period' is the 12 month period from the date the last Confirmation Statement was filed. For new companies, the 'review period' begins on the date of incorporation and ends 12 months later.



The 'This rolling 12 month period allows a company to combine filing a Confirmation Statement with other filings at any point during the year, in this event a company would not need to file Confirmation Statement for another 12 months.

If your company is registered for Companies House Web-filing you can submit the Confirmation Statement online at a reduced fee of £13, whereas if you file the Confirmation Statement by hard-copy you will have to pay an enhanced fee of £40.

What information must be on the Confirmation Statement?

As stated above a Confirmation Statement is used to confirm prescribed information about the company and to report on changes made to the company during the review period. The prescribed information required to file a Confirmation Statement includes the company's:-

- principal business activities or standard industrial classification (SIC);
- statement of capital including the rights attributed to each class of share;

Briefing Note: Confirmation Statement

- trading status of shares and confirmation as to whether the company is exempt from keeping a register of people with significant control (PSC); and
- shareholders information i.e. shareholder's name, class and number of shares held and (if applicable) date of registration of transfer.

Before making a Confirmation Statement, you must check that Companies House has been informed of any relevant events which have taken place during the review period, for example:-

- a change of registered office;
- a change in the directors or the company secretary;
- changes to the Persons with Significant Control; and
- a change in location of where the company's registers are kept.

Filing a Confirmation Statement is a yearly obligation and therefore it is not necessary to file a Confirmation Statement every time there is a relevant change although you can do so if you wish. Further, a company is obligated to file a Confirmation Statement regardless of whether or that there has been a relevant change. Failure to confirm that there has been no relevant change will result in the penalties detailed below.

As of 26 June 2017 the persons with significant control register (PSC register) no longer forms part of the Confirmation Statement, although companies continue to have an obligation to annually confirm that their PSC information is correct. For further guidance on this please refer to our Briefing Note entitled 'Briefing Note: PSC Register'.

How does it differ from the annual return?

When filing an Annual Return, companies had to provide the prescribed information on each return, even if there had been no changes since the last Annual Return was filed. With the Confirmation Statement you don't need to do this – you simply need to review the current details held on record and confirm that they are up to date and accurate.

Penalties

Failure to file a Confirmation Statement before the end of the period of 14 days after the end of a review period is considered a criminal offence and a company will be liable to a fine which will increase at a daily rate until a Confirmation Statement is filed. Directors and secretaries may also be liable unless it can be shown that they took all reasonable steps to avoid the offence being committed

Further, if a Confirmation Statement is not made and the company is dormant, the registrar may take steps to strike it from the register. If the registrar strikes a company off the register, it ceases to exist and its assets become Crown property.

Briefing Note: Confirmation Statement

If you would like to know more about Companies House filings or any of our legal services, please contact Mark Williams on 01323 435900 or mew@gabyhardwicke.co.uk.

Gaby Hardwicke Solicitors

33 The Avenue
Eastbourne
East Sussex
BN21 3YD

Tel: 01323 435900
Fax: 01323 435901
www.gabyhardwicke.co.uk