



Changes to UK Company Law and Companies House powers

Changes to UK Company Law and Companies House powers - the introduction of the Economic Crime and Corporate Transparency Act 2023

The Economic Crime and Corporate Transparency (ECCT) Act 2023 has received Royal Assent, introducing a number of wide-ranging reforms for UK companies. The Act looks to tackle economic crime, bolster accountability, improve transparency and instil a culture of trust among UK corporates.

The provisions include a number of developments regarding Companies House which empower them to enhance the accuracy and reliability of data. While the implementation of most of the measures will take time, the initial wave of changes came into effect on **4 March 2024**.

We have summarised a number of the key and/or immediate changes, below.

The key immediate developments

Appropriate Registered Office address:

The new regulations from 4 March 2024 have introduced registered office address requirements which disallow the use of PO Boxes.

Statement of lawful purpose:

There is now a new requirement for companies to confirm their lawful purpose during entity formation and also confirm future activities will be lawful on filing of the annual confirmation statements.

Email address requirements:

A further and important change is the intention of Companies House to communicate with the company via an email address. There will now be a requirement to provide an email address on filing the next confirmation statement after 4 March 2024. It is recommended that the email address provided is a generic email address that will not change with changes of staff, and one which would be expected to come to the attention of a person acting on behalf of the Company. The email address will not be made public.

New powers for Companies House:

In addition to the above developments, Companies House is now also authorised to annotate the register in cases of confusing or misleading information, utilising data matching techniques to identify and eliminate inaccuracies, while also sharing data with enforcement agencies. In the event of non-compliance with the new changes, Companies House have additional powers to impose financial sanctions and/or initiate prosecution proceedings.

Further developments to be implemented

There are other crucial changes which will be implemented in the future, such as the mandatory identity verification for both new and existing company directors and individuals with significant control. Other changes will include the formatting of accounts for small and micro entities, as well as the introduction of software only filing of annual accounts. We will of course keep you updated on these developments as more information is made available to us.

Fee increases

Companies House has also announced an impending fee increase, effective **1 May 2024**. Notably, the annual confirmation statement filing fee for electronic submissions will rise from £13 to £34, impacting all companies striving to maintain compliance. This fee adjustment could significantly impact companies, especially those with extensive group structures. For instance, a relatively small group of ten companies will incur a mandatory increase of £210, and larger groups will face substantial hikes, necessitating careful consideration in their annual budgeting processes.

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Listed below are some of the routine fees affected by these changes.

Transaction	Channel	New fee	Current Fee
*Incorporation (same day)	Software	£78	£30
Incorporation	Software	£50	£10
Confirmation statement	Digital	£34	£13
Confirmation statement	Paper	£62	£40
Change of name	Paper	£30	£8
Change of name (same day)	Digital	£83	£30
Change of name	Digital	£20	£10
Voluntary strike off	Paper	£44	£10
Voluntary strike off	Digital	£33	£8

* Incorporation fees exclude fees for Limited Partnerships

We strongly recommend that all companies keep track of these changes going forward, and Companies House has established a website to help do so, which can be accessed here:

<https://changestoukcompanylaw.campaign.gov.uk>

If you would like to talk to one of our specialists for specific advice on the impact of the changes for your company(ies), please speak to your usual UHY adviser or contact us at enquiries@uhy-uk.com or on +44 20 7216 4600



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