



Companies House
— *for the record* —

Dormant Companies

March 2004

[Link to PDF version of this page](#)

Dormant Companies - GBA10

Contents

Introduction

1. What is a dormant company?
2. Dormant companies and Companies House
3. Accounts and audit exemption
4. Further information

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

■ [Back to top](#)

Introduction

This booklet will help you to manage a dormant company so that you send Companies House everything that is needed to keep the company on the register. It will help you to understand the simple - but important - legal obligations that still apply to a company even when it is dormant. For more general guidance about what companies have to send to Companies House, please see the other booklets in our [guidance series](#).

This booklet tells you about the current rules on dormant companies. The rules changed for accounting periods ending on or after 26 July 2000. The new regulations are in Statutory Instrument 1430/2000. The old rules that applied to accounts ending before 26 July 2000 are covered in our booklet, '[Accounts and Accounting Reference Dates](#)'.

If after reading this booklet, you are in doubt about your responsibilities, you should seek independent help from a solicitor or accountant.

■ [Back to top](#)

CHAPTER 1

What is dormant a company?

1. What does 'dormant' mean?

The term 'dormant' applies to a company that, in legal terms, has 'no significant accounting transactions' during a financial year. It is not the same as a 'non-trading company', a term that has no legal meaning. No significant accounting transactions means no entries in the company's accounting records. The amount paid for shares when the company is first formed and a few costs that the company may incur in order to keep the company registered at Companies House do not count as significant accounting transactions. There

is more information about these allowable transactions at [question 1 in chapter 3](#).

2. What is the difference between a non-trading company and a dormant company?

A company can be non-trading in the sense that it isn't doing business. But it may still have other accounting transactions going through its books, which means that it is not dormant in a legal sense. A dormant company must not have any accounting transactions except specific allowable transactions that can be disregarded, see [chapter 3](#).

3. Why have a dormant company?

Companies can be dormant for various reasons, often to protect a company name, in readiness for a future project, or to hold an asset or intellectual property. Some flat management companies whose main purpose is to own the head lease or the freehold of a property choose to become dormant by setting up a residents' association to deal with any expenses.

A company can remain dormant for as long as necessary - indefinitely if, for example, its purpose is just to prevent the name being used by another company. However, there are expenses associated with keeping a company on the register. In particular, there is a £15.00 fee for registering an annual return (Form 363s). And, while the company is dormant, various other documents and annual company balance sheets must still be prepared and filed at Companies House. The company will have to decide how expenses will be met and who will run the company and be responsible for ensuring that all the legal requirements are met.

4. Who runs a dormant company?

If it is to remain dormant, a company cannot have paid employees because their wages would have to be recorded in the accounting records. However, all companies, including those that are dormant, must have:

- at least one director for a private company (two directors for a public company); and
- a company secretary.

A sole director cannot also be the company secretary. There must be at least two officers of the company.

5. What responsibilities do the officers of a dormant company have?

The responsibilities of a dormant company's officers are the same as for those of a trading company. The directors and secretary manage the company on behalf of the shareholders or members. Among other things, they are responsible for holding meetings and ensuring that all the necessary returns, accounts and other documents reach Companies House by the due date.

Further information about directors' and secretaries' responsibilities for delivering documents to Companies House is available in our booklet, '[Directors and Secretaries Guide](#)'.

6. What happens if documents are not delivered to Companies House?

The company's officers could be prosecuted because they are personally responsible for ensuring that documents are delivered on time. Failing to do so is a criminal offence. In addition, there will always be an automatic civil penalty for filing accounts late.

Companies House could also reasonably assume that the company is no longer required and strike it from the register. If a company is struck off the register, it ceases to exist and its assets become Crown property.

Further information about this is available in our booklet, '[Strike-off, Dissolution and Restoration](#)' (or '[Strike-off, Dissolution and Restoration \(Scotland\)](#)' for companies registered in Scotland).

7. What if the company is no longer required?

If you decide that you do not need your dormant company, you can arrange to have it struck off the register. There are two ways of doing this:

- if the company has no debts or other liabilities, you may be able to apply for 'voluntary striking-off and dissolution' without going through formal insolvency proceedings; or
- if the company has affairs to wind up, then the company can be put into 'voluntary liquidation'.

For more information on these subjects see our booklets, '[Strike-off, Dissolution and Restoration](#)' and '[Liquidation and Insolvency](#)' (or, '[Strike-off, Dissolution and Restoration \(Scotland\)](#)' and '[Liquidation and Insolvency \(Scotland\)](#)' for companies registered in Scotland).

■ [Back to top](#)

CHAPTER 2

Dormant Companies and Companies House

1. What information does Companies House need to know?

Although a company may be dormant, Companies House must still keep up-to-date information about it on record and make this available to anyone who wants to know about the company. Basically, we need to know:

- Where to contact the company. The company's official address is known as its

'registered office'.

- Who runs the company. That is, particulars about the company officers.
- Who owns shares in the company - the shareholders (if the company has them).
- Where certain company registers are kept.
- What the company's financial year-end is. The company's financial year-end is known as its 'accounting reference date'.
- What the company's assets and liabilities are - its annual balance sheet.
- What rules govern the company - its memorandum and articles of association.

Most of this information is registered at Companies House when the company is first formed and, if anything changes, you will need to tell us, usually on a special form. However, every year we will send to the company's registered office a summary of the information held on the public record at Companies House - this form is called an Annual Return (Form 363s). This must be completed and returned to Companies House. Also, every year, the company must prepare a balance sheet and send that to Companies House.

More information about all these requirements is included in this chapter.

Even dormant companies must deliver accounts and an annual return (Form 363s) each year!

2. What is a 'registered office'?

This is the company's official address registered at Companies House. It is also the address where we will usually send letters and reminders. The registered office address can be anywhere in England or Wales (or Scotland if your company is registered there). It is important that all correspondence and notices sent to this address are dealt with promptly. A change of registered office address must be notified to Companies House on [Form 287](#). The new address only becomes the registered office when the form has been registered.

All companies must have a registered office address, and the company's name must be displayed outside.

3. Who are the company officers?

These are the company director(s) and the company secretary. They are responsible for managing the company and for delivering documents to Companies House.

Particulars of who they are must be entered in the company's own register of directors and secretaries and notified to Companies House when the company is first formed. Any changes must be recorded in the company's register and notified to Companies House on the correct form within 14 days of the change. The forms for notifying changes are:

appointments	Form 288a
terminations of appointments	Form 288b
change of particulars	Form 288c

A change of particulars for a director means any of the following: name, address, occupation, nationality and other directorships; and for a company secretary it means name or address.

4. Who are the company members?

A company member is defined as a person who has agreed to become a member and whose name is entered on the company's register of members.

For a limited company with shares, this means a person who owns shares in the company - a shareholder. For a company limited by guarantee, it means a person who has agreed to contribute to the assets of the company if it is wound up.

The company must keep a register of its members. Any member of the company or any other person has a right to inspect the register. Unless it is kept at the registered office, Companies House must be notified of where the register is kept, and any change in its location must be notified to Companies House on Form 353.

If a company has shares, details of the shareholders have to be notified to Companies House. The information must be updated every year on the Annual Return Form 363s, which we will send the company shortly before it becomes due.

In addition, if the company has issued debentures, it must keep a register of debenture holders. Any member of the company or any other person has a right to inspect the register. Unless the register is kept at the registered office, Companies House must be notified of where it is kept, and any change in its location must be notified to us on Form 190.

5. What other statutory registers are there?

There are several other statutory registers that may apply to the company. Although there is no obligation to notify Companies House about the location of any other statutory register, the company secretary is responsible for maintaining all the following registers - some of which are mentioned above - if they apply to the company:

- the register of debenture holders;
- the register of directors and secretaries;
- the register of interests in shares (public companies only);

- the register of directors' interests in shares, or debentures, of the company;
- the register of members;
- the register of charges.

These registers must be open to inspection by any person on payment of the prescribed fee.

6. What is an annual return (Form 363s)?

It is a form that every company - even those that are dormant - must send to Companies House each year. (The annual return should not be confused with annual accounts - the two are entirely different.) The annual return must be accurately completed to a particular date known as the 'made-up date'. This is:

- 12 months after the date of the made-up date of the previous annual return; or
- in the case of a company's first annual return, the anniversary of the date of incorporation.

The annual return form and filing fee (£15) must reach Companies House within 28 days after its made-up date.

Shortly before it becomes due, we send an annual return to your registered office, showing the made-up date. The annual return contains pre-printed information about the company already on our records. We also send guidance to help you complete the return.

Even dormant companies must deliver accounts and an annual return (Form 363s) each year!

7. What is an accounting reference date (ARD)?

The ARD is the financial year-end. It is also the date that determines when accounts are due for delivery to Companies House. When a company is incorporated, its ARD will automatically be set as the last day of that month but this can be changed, if the company wishes to do so. Companies House must be told in advance if the ARD is about to be changed. A change of ARD must be notified on [Form 225](#). Changing the ARD can be complicated because of the effect it has on the related accounts. For more information on this see our booklet, '[Accounts and Accounting Reference Dates](#)'.

8. What annual accounts are required?

All limited companies - including dormant companies - must file annual accounts at Companies House. For dormant companies, this means a balance sheet giving details of assets and liabilities and any relevant notes. The balance sheet and notes must comply with the statutory requirements of the Companies Act, as explained in [chapter 3](#) of this

booklet.

Annual accounts must usually be delivered to Companies House within 10 months of a company's ARD for a private company, and 7 months for a public company. However, if a company's first accounts cover a period longer than 12 months, the maximum time allowed is 22 months from the date of incorporation (19 months for a public company) or 3 months from the ARD, whichever is longer. ARDs and how to change them are explained in our booklet, ['Accounts and Accounting Reference Dates'](#).

Please note: if a filing deadline expires on a Sunday or Bank Holiday the law still requires accounts to be filed by that date. So you should ensure that they are posted in time to arrive **before** such a deadline.

To help you file accounts on time, we send a reminder to the company's registered office 6 to 8 weeks before the accounts are due.

If the accounts reach Companies House outside the time allowed for filing, the company will always get a late filing penalty of up to £1,000 for a private company and £5,000 for a public company. Further information about civil penalties is available in our booklet, ['Late Filing Penalties'](#).

Accounts must be filed even if the company has remained dormant from one year to the next - even if it has never traded - and, if the accounts are late, the company will be penalised. There is no special treatment for dormant companies. Being dormant does not mean that your company does not have to file accounts or file them on time.

We recommend that you send us your accounts well ahead of the filing deadline. If you need to know your filing deadline, contact us on 0870 3333636. Remember that accounts must be received at Companies House by the filing deadline, not just posted by then. The Registrar will not waive a penalty if your accounts are delayed in the post.

9. Who must arrange for accounts to be prepared?

The directors of the company. The accounts must be prepared, laid before the company's members in a general meeting, signed and delivered to Companies House within the time allowed (normally within 10 months of a company's ARD). However, you do not need to lay the accounts before a general meeting of the company, or have them agreed by the Inland Revenue, before sending them to Companies House.

The members can pass an 'elective resolution' not to lay the accounts before the members in a general meeting (see our booklet, ['Resolutions'](#)), but the accounts must still be

prepared and given to the members and delivered to Companies House.

10. What are the memorandum and articles of association?

These documents govern the company.

The memorandum sets out:

the company name;

where the registered office is situated (in England, Wales or Scotland);

what it will do (its objects);

details of the type of company it is;

its share capital, if the company has shares.

The articles set out the rules for running the company's internal affairs.

From time to time, it may be necessary to change these documents. These changes are made by special resolution and must be registered at Companies House. For more information about resolutions to change the memorandum and articles of association see our booklet, '[Resolutions](#)'.

If the company wishes to change its name, this is also done by passing a special resolution. Companies House charges a fee of £10 to register the change and issues a change of name certificate. More information about this is in our booklet, '[Company Names](#)'.

11. What other documents must I file at Companies House?

Other notices that you may have to file include:

- notice of an increase or change in share capital - use Form 123 or 122 as appropriate;
- details of mortgages and charges - use [Form 395](#) ([Form 410](#) for companies registered in Scotland);
- various company resolutions - see our booklet, '[Resolutions](#)';
- notice of the company's liquidation, receivership, administration or a voluntary arrangement - see our booklet, '[Liquidation and Insolvency](#)' (or '[Liquidation and Insolvency \(Scotland\)](#)' for companies registered in Scotland).

Whenever you complete a document, always quote the company number. It is the company's unique identifier. The number is shown on the company's incorporation certificate or you can ring us on Cardiff 0870 3333636 or Edinburgh 0131 535 5800.

■ [Back to top](#)

CHAPTER 3

Accounts and audit exemption

1. What does 'no significant accounting transactions' mean?

As mentioned in [chapter 1](#), a company is dormant if it has had 'no significant accounting transactions' during a financial period. When considering whether a company is dormant you can disregard the following financial transactions:

- payment for shares taken by subscribers who agreed to take such shares under the memorandum of association;
- fees paid to the Registrar of Companies for a change of company name, the re-registration of a company and filing annual returns; and
- payments made in respect of civil penalties imposed by the Registrar of Companies for delivering accounts to the Registrar after the statutory time allowed for filing.

A company may not take advantage of dormant company audit exemption if it is:

- a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity;
- a person who carries on insurance market activity;

If the company has not been dormant since incorporation, but has become dormant, it may take advantage of the exemption provided that:

- it has been dormant since the end of the previous financial year; and
- it does not have to prepare group accounts for that year; and
- it qualifies as a 'small company' in relation to that year (see question 2 below), or would have qualified as small but for the fact that it is:
 - a public company; or
 - a member of a group of companies which included a public company, a banking or insurance company, a person who has permission under Part 4 of the Financial Services and Markets Act 2000 to carry on a regulated activity, or a person who carries on insurance market activity.

2. What qualifies a company as a small company?

As mentioned at question 1 above, in order to take advantage of the audit exemption, the

company must be both dormant and qualify as 'small'. If the company has traded in the past, then in order to qualify as small in a particular financial year it must meet the qualifying conditions in that year and in the preceding financial year.

The qualifying conditions are that at least two of the following must be met:

- the annual turnover must be £2,800,000 or less;
- the balance sheet total must be £1,400,000 or less;
- the average number of employees must be 50 or fewer.

Please note: New accounting exemption thresholds apply to financial years ending on or after 30 January 2004

To be a small company, at least 2 of the following conditions must be met:

- annual turnover must be £5.6 million or less;
- the balance sheet total must be £2.8 million or less;
- the average number of employees must be 50 or fewer.

3. What exemption is available?

Dormant companies that are eligible and wish to take advantage of it can claim exemption from audit.

- Private companies that are dormant need only prepare and deliver to Companies House an abbreviated balance sheet and notes. A profit and loss account and directors' report do not have to be included in dormant company accounts filed at Companies House; but a directors' report and possibly a profit and loss account - if the company traded in the previous financial year - must be provided to members.
- Public companies that are dormant must prepare and deliver to Companies House a balance sheet and notes, directors' report and possibly a profit-and-loss account, if the company has traded in the previous financial year.

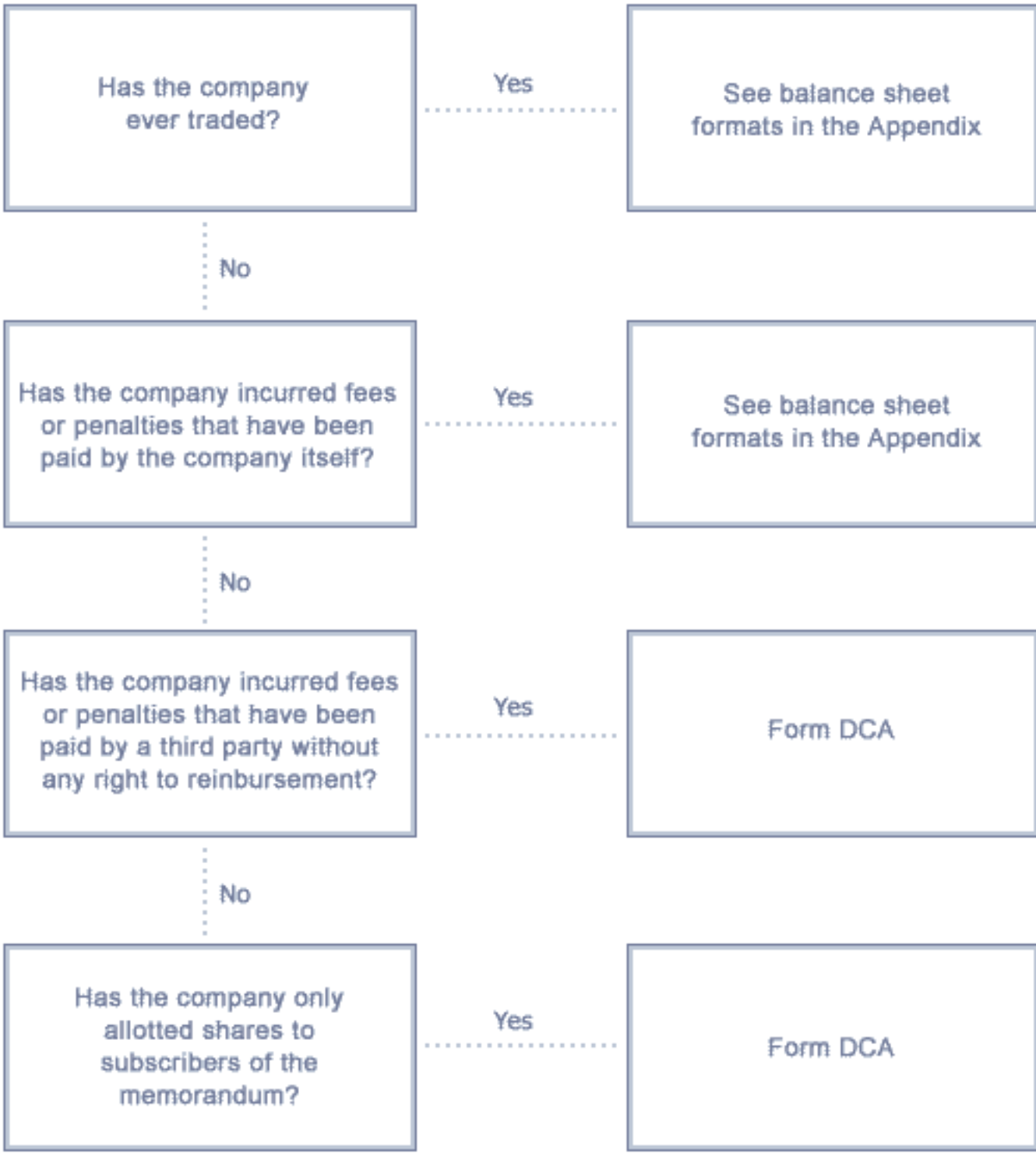
Provided the accounts are prepared so that they comply with the requirements, they do not have to be drawn up by a professional accountant. However, if you are in any doubt about how to prepare a set of accounts, an accountant will be able to advise you.

Companies House cannot know your company's circumstances and financial arrangements, so we cannot help you prepare a set of accounts.

4. Can I obtain a standard form for dormant accounts from Companies House?

Yes, we provide a Form DCA (Dormant Company Accounts) - but it is not suitable for all dormant companies. For simplicity the form has been designed to reflect only the issue of shares to subscribers who agreed to take such shares under the memorandum. The form cannot be used to record other transactions. The flowchart below shows when a Form DCA can be used and when a more detailed balance sheet format shown at the Appendix is required.

When to use Form DCA



5. Companies dormant since incorporation

By definition, these companies can only have entered into the following financial transactions:

- the issue of shares to subscribers who agreed to take such shares under the memorandum;
- fees paid to the Registrar of Companies for a change of company name, the re-registration of a company and filing annual returns; and
- late filing penalties imposed by the Registrar of Companies.

These companies may be able to file their statutory accounts at Companies House by completing [Form DCA](#). But the form is only suitable where any fees or penalties noted above are paid by a third party without any right of reimbursement.

[Form DCA](#) can be completed each year for as long as the company remains dormant and meets the above conditions.

6. Companies that have become dormant

These companies must be dormant for the current financial year, but will have entered into transactions in earlier periods. These transactions may have resulted in residual balances appearing on the balance sheet in the current year. If so, [Form DCA](#) is not suitable as it has no provision for these balances. If there are no residual balances, other than those relating to the issue of subscriber shares, [Form DCA](#) may still be suitable.

Otherwise, the reporting and disclosure requirements for these companies can be diverse and complex. They are summarised in the [Appendix](#).

To fill in [Form DCA](#) you need to know about the company's share capital. The items mentioned on [Form DCA](#) are explained below and more information is in our booklet, '[Share Capital and Prospectuses](#)'.

Authorised share capital - the maximum number and nominal (or face) value of shares the company is allowed to create under the terms of its memorandum.

Issued share capital - the number and nominal value of shares actually issued to shareholders.

Called-up share capital not paid - the value of shares (generally that means the nominal value) that the company has issued without receiving payment.

Shares allotted during the year - the number of new shares allocated to members in the financial year.

Aggregate nominal value - the total face value of all the shares allotted.

Consideration received - the actual amount received for the shares.

7. What rules apply to dormant accounts in respect of financial years ending before 26 July 2000?

For accounts in respect of financial years ending before 26 July 2000, a dormant company was required to pass a special resolution to exempt itself from the obligation to appoint auditors. For more information on the old requirements see our booklet, '[Accounts and Accounting Reference Dates](#)'.

8. How much time do I have to deliver dormant accounts to Companies House?

Usually 10 months after the accounting reference date. But this can be different for the first accounts and if the accounting reference date has been changed during the year. [See chapter 2](#). Penalties are imposed for late filing. If you are not sure of the filing deadline for your company, call us on Cardiff 0870 3333636 or Edinburgh 0131 535 5800.

The accounts you send to Companies House will not be returned to you - take any copies that you may need before you send them!

Before sending your accounts to Companies House, check that you have:

- quoted the correct company number and company name;
- dated the balance sheet;
- included all the relevant figures for the current and the previous year;
- included all the dormant company statements;
- stated when the accounts were approved; and
- had the balance sheet signed by a director below all the statements.

A director must sign the balance sheet below all the statements. We reject more accounts because they have not been signed than for any other reason.

9. What happens if my company starts trading again?

Any company will cease to be exempt from audit as a dormant company if it:

- begins commercial or trading activities during the financial period; or
- would no longer qualify for some other reason

If either of these happened, full accounts would be required for the financial year in which the company ceased to be exempt, and the directors might need to appoint auditors for the company. It may be that the company would qualify for exemptions as a medium-sized or small company. More information about company audit requirements and audit exemption for small companies is covered in our booklet, '[Accounts and Accounting Reference Dates](#)'.

■ [Back to top](#)

CHAPTER 4

Further information

1. How do I send information to the Registrar?

You may deliver documents to the Registrar by hand (personally or by courier), including outside office hours, bank holidays and weekends to Cardiff, London and Edinburgh.

You may also send documents by post or by the Hays Document Exchange service (DX). If you send documents, please address them to:

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

We will only acknowledge receipt of documents at Companies if you provide a stamped addressed envelope.

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

2. Where do I get forms and guidance booklets?

This is one of a series of Companies House booklets which provide a simple guide to the Companies Act.

[Statutory forms](#) and [guidance booklets](#) are available, free of charge from Companies House. The quickest way to get them is through this website or by telephoning 0870 3333636.

If you prefer you can write to our stationery sections in [Cardiff](#) or [Edinburgh](#).

Forms can also be obtained from legal stationers, accountants, solicitors and company formation agents - addresses in business phone books.

■ [Back to top](#)

Appendix

Model balance sheets for dormant companies

If the company has only issued shares to subscribers who agreed to take such shares under the memorandum, then you will be able to use [Form DCA](#). Likewise, [Form DCA](#) will be suitable if the company has paid fees to the Registrar of Companies for a change of company name, the re-registration of a company and filing annual returns, or paid late filing penalties imposed by the Registrar of Companies provided the fees or penalties are paid by a third party without any right of reimbursement.

If you cannot use [Form DCA](#), either because fees and penalties have been paid by the company or because the company has traded in the past and there are residual assets to be shown on the balance sheet, then the formats on the following pages provide a guide to the information you need to include. These formats are designed to reflect all possible assets and liabilities that a company may have but you only need to include a particular heading if there is an amount other than nil to be shown.

These model balance sheets are for illustration only. They should not be photocopied and filled in. If the company has traded in a previous financial year, bear in mind that your previous year's balance sheet will show the company's financial position as it was then. If there have been no accounting transactions since, you could just be carrying forward the figures from last year.

There are two formats - marked [A](#) and [B](#) - either of which may be followed. The content of the two formats is identical; they simply present the balance sheet headings in a different order.

The balance sheet must balance:

- In format **A**, net assets must equate to the aggregate of capital and reserves.
- In format **B**, assets must equate to liabilities (including capital and reserves as balancing items).

Each entry must be an amount in figures (not words) or '0.00'. Companies House will not accept any document which shows 'Nil' where a figure should appear.

Each column of figures must be headed with the date on which the current and previous financial year ended.

For both formats, the matters to be included in the notes to the balance sheet, if applicable, are listed [here](#).

BALANCE SHEET FORMAT A

COMPANY NO.

COMPANY NAME

BALANCE SHEET AS AT/..../.....

	CURRENT YEAR	PREVIOUS YEAR
A CALLED UP SHARE CAPITAL NOT PAID	XX	XX
B FIXED ASSETS		
I. Intangible assets	XX	XX
II. Tangible assets		
III. Investments	XX	XX
	XXX	XXX
C CURRENT ASSETS		
I. Stocks	XX	XX
II. Debtors	XX	XX
III. Investments	XX	XX
IV. Cash at bank & in hand	XX	XX
	XXX	XXX
D PREPAYMENTS AND ACCRUED INCOME	XX	XX
E CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	(XX)	(XX)
F NET CURRENT ASSETS/ LIABILITIES	XXX	XXX

G TOTAL ASSETS LESS CURRENT LIABILITIES	XXX	XXX
H CREDITORS:AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	(XX)	(XX)
I PROVISION FOR LIABILITIES AND CHARGES	(XX)	(XX)
J ACCRUALS AND DEFERRED INCOME	(XX) (XXX)	(XX) (XXX)
	XXX	XXX
K CAPITAL AND RESERVES		
I. Called up share capital	XX	XX
II. Share premium account	XX	XX
III. Revaluation reserve	XX	XX
IV. Other reserves	XX	XX
V. Profit and loss account	XX	XX
	XXX	XXX

(a) For the year ended . . . (date) the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

(b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

(c) The directors acknowledge their responsibility for:

- i. ensuring the company keeps accounting records which comply with section 221; and
- ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on.....(date) and signed on their behalf by.....(DIRECTOR)

BALANCE SHEET FORMAT B

COMPANY NO:

COMPANY NAME:

BALANCE SHEET AS AT .././....

	CURRENT YEAR	PREVIOUS YEAR
ASSETS		
A CALLED UP SHARE CAPITAL NOT PAID	XX	XX
B FIXED ASSETS		
I. Intangible assets	XX	XX
II. Tangible assets		
III. Investments	XX	XX
	XXX	XXX
C CURRENT ASSETS		
I. Stocks	XX	XX
II. Debtors	XX	XX
III. Investments	XX	XX
IV. Cash at bank & in hand	XX	XX
	XXX	XXX
LIABILITIES		
A CAPITAL AND RESERVES		
I. Called up share capital	XX	XX
II. Share Premium Account	XX	XX
III. Revaluation reserve	XX	XX
IV. Other reserves	XX	XX
V. Profit and loss account	XX	XX
	XXX	XXX
B PROVISION FOR LIABILITIES AND CHARGES	XX	XX
C CREDITORS	XX	XX
D ACCRUALS AND DEFERRED INCOME	XX	XX
	XXX	XXX

(a) For the year ended . . . (date) the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.

(b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.

(c) The directors acknowledge their responsibility for:

- i. ensuring the company keeps accounting records which comply with section 221; and
- ii. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on.....(date) and
signed on their behalf by.....(DIRECTOR)

Notes to the dormant company balance sheet

If it is not included in the balance sheet, certain information supplementing the information given in the balance sheet or relevant to assessing the company's state of affairs must be given, if applicable, by way of notes to the balance sheet as follows:

- accounting policies, including those relating to depreciation and diminution in value of assets;
- authorised share capital;
- if shares of more than one class have been allotted, the number and aggregate nominal value of shares of each class allotted;
- information relating to any redeemable shares allotted;
- information relating to any shares which have been allotted during the financial year;
- information relating to fixed assets;
- details of indebtedness;
- basis on which sums originally denominated in a foreign currency have been translated into sterling;
- in respect to every item above (other than fixed assets) the corresponding amounts for the previous year;
- particulars of any subsidiary undertakings and of shares held in them, and the reason why group accounts are not required;
- where the company has acted as an agent for any person, the fact that it has so acted.

For a dormant company - especially one that has never traded before - much of this information may not apply. However, you must consider whether it is relevant and include any items that are.

If the company has subsidiary undertakings, the following information, if applicable, may have to be given:

- particulars of any undertakings in which the company has a 'significant holding'. For example, the name and address of the business;
- the name of the company's ultimate parent company, and (if known) its country of incorporation;
- the names of certain intermediate parent companies, and their countries of incorporation or (if not incorporated) the addresses of their principal places of business;
- details of certain loans, guarantees and other such dealings made by the company in favour of directors and others.

■ [Back to top](#)

