

Late Filing Penalties

When you form a new company at Companies House you are required to file various documents for the company throughout its existence. Failure to do so by the given time can result in financial penalties. Here is a brief overview of some of the penalties that you can face if filing documents late with Companies House and HMRC.

Accounts

The first set of accounts are due to be filed with Companies House 21 months after registration and then annual accounts from then on must be filed nine months after the company's financial year end.

If you do not submit your accounts on time you will incur a penalty from Companies House, this penalty increases depending on how late the accounts are filed;

- Up to one month late: £150
- One to three months late: £375
- Three to six months late: £750
- More than six months late: £1,500

The penalty is doubled if your accounts are late 2 years in a row.

Confirmation statement

There is currently no fine for filing your confirmation statement late at Companies House however, Companies House will take action against the company for not filing the statement and will eventually remove the company from the register.

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Corporation tax return

The corporation tax return is due to be filed twelve months after the company's financial year end. If the tax return is not submitted on time the following penalties are issued;

- 1 day late: £100
- 3 months late: Additional £100 fine issued
- 6 months late: HMRC will estimate corporation tax bill and a penalty of 10% of any unpaid tax is issued
- 12 months late: Additional 10% of any unpaid tax

VAT return

If the company is VAT registered a VAT return will need to be submitted for the period requested by HMRC. If the VAT return is filed late or if full payment for the VAT due is not paid on time the company will incur a 'default'.

Once a company has defaulted if it defaults again within a 12-month period a surcharge may be issued by HMRC;

If annual turnover is less than £150,000:

- 2nd default: No surcharge
- 3rd default: 2% (no surcharge if less than £400)
- 4th default: 5% (no surcharge if less than £400)
- 5th default: 10% or £30 (the greater value)
- 6th default: 15% or £30 (the greater value)

If annual turnover is greater than £150,000:

- 2nd default: 2% (no surcharge if less than £400)
- 3rd default: 5% (no surcharge if less than £400)
- 4th default: 10% or £30 (the greater value)
- 5th default: 15% or £30 (the greater value)
- 6th default: 15% or £30 (the greater value)



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