



Companies Act 2006

2006 CHAPTER 46

PART 15

ACCOUNTS AND REPORTS

CHAPTER 3

A COMPANY'S FINANCIAL YEAR

390 A company's financial year

- (1) A company's financial year is determined as follows.
- (2) Its first financial year—
 - (a) begins with the first day of its first accounting reference period, and
 - (b) ends with the last day of that period or such other date, not more than seven days before or after the end of that period, as the directors may determine.
- (3) Subsequent financial years—
 - (a) begin with the day immediately following the end of the company's previous financial year, and
 - (b) end with the last day of its next accounting reference period or such other date, not more than seven days before or after the end of that period, as the directors may determine.
- (4) In relation to an undertaking that is not a company, references in this Act to its financial year are to any period in respect of which a profit and loss account of the undertaking is required to be made up (by its constitution or by the law under which it is established), whether that period is a year or not.
- (5) The directors of a parent company must secure that, except where in their opinion there are good reasons against it, the financial year of each of its subsidiary undertakings coincides with the company's own financial year.

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Modifications etc. (not altering text)

- C1** Ss. 390-392 excluded (6.4.2008) by [The Bank Accounts Directive \(Miscellaneous Banks\) Regulations 2008 \(S.I. 2008/567\)](#), reg. 4, **Sch. para. 3**
- C2** Ss. 390-392 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\)](#), **reg. 7**
- C3** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies regulations 2009 \(S.I. 2009/1801\)](#), {reg. 37} (with Sch. 8)
- C4** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies Regulations 2009 \(S.I. 2009/1801\)](#), **reg. 52** (with Sch. 8)
- C5** Ss. 380-416 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, **Sch. 1 para. 10** (with transitional provisions and savings in regs. 7, 9, Sch. 2)
- C6** Ss. 380-414 applied (with modifications) (1.10.2009) by [S.I. 2009/2436](#), regs. 3-5, **Sch 1 para. 10** (with [reg. 7](#), [Sch. 2](#)) (and the said Sch. 1 para. 10 is amended (with application in accordance with [reg. 1\(3\)](#) of the amending S.I.) by [The Unregistered Companies \(Amendment\) Regulations 2013 \(S.I. 2013/1972\)](#), [regs. 1\(2\)](#), **2(2)(a)**)
- C7** S. 390 applied (with modifications) (31.7.2015) by [The European Grouping of Territorial Cooperation Regulations 2015 \(S.I. 2015/1493\)](#), [regs. 1\(2\)](#), **7(1)** (with [reg. 11](#))

391 Accounting reference periods and accounting reference date

- (1) A company's accounting reference periods are determined according to its accounting reference date in each calendar year.
- (2) The accounting reference date of a company incorporated in Great Britain before 1st April 1996 is—
 - (a) the date specified by notice to the registrar in accordance with section 224(2) of the Companies Act 1985 (c. 6) (notice specifying accounting reference date given within nine months of incorporation), or
 - (b) failing such notice—
 - (i) in the case of a company incorporated before 1st April 1990, 31st March, and
 - (ii) in the case of a company incorporated on or after 1st April 1990, the last day of the month in which the anniversary of its incorporation falls.
- (3) The accounting reference date of a company incorporated in Northern Ireland before 22nd August 1997 is—
 - (a) the date specified by notice to the registrar in accordance with article 232(2) of the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) (notice specifying accounting reference date given within nine months of incorporation), or
 - (b) failing such notice—
 - (i) in the case of a company incorporated before the coming into operation of Article 5 of the Companies (Northern Ireland) Order 1990 (S.I. 1990/593 (N.I. 5)), 31st March, and
 - (ii) in the case of a company incorporated after the coming into operation of that Article, the last day of the month in which the anniversary of its incorporation falls.

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- (4) The accounting reference date of a company incorporated—
- (a) in Great Britain on or after 1st April 1996 and before the commencement of this Act,
 - (b) in Northern Ireland on or after 22nd August 1997 and before the commencement of this Act, or
 - (c) after the commencement of this Act,
- is the last day of the month in which the anniversary of its incorporation falls.
- (5) A company's first accounting reference period is the period of more than six months, but not more than 18 months, beginning with the date of its incorporation and ending with its accounting reference date.
- (6) Its subsequent accounting reference periods are successive periods of twelve months beginning immediately after the end of the previous accounting reference period and ending with its accounting reference date.
- (7) This section has effect subject to the provisions of section 392 (alteration of accounting reference date).

Modifications etc. (not altering text)

- C6** Ss. 380-414 applied (with modifications) (1.10.2009) by [S.I. 2009/2436, regs. 3-5, Sch 1 para. 10](#) (with [reg. 7, Sch. 2](#)) (and the said Sch. 1 para. 10 is amended (with application in accordance with reg. 1(3) of the amending S.I.) by [The Unregistered Companies \(Amendment\) Regulations 2013 \(S.I. 2013/1972\), regs. 1\(2\), 2\(2\)\(a\)](#))
- C8** Ss. 390-392 excluded (6.4.2008) by [The Bank Accounts Directive \(Miscellaneous Banks\) Regulations 2008 \(S.I. 2008/567\), reg. 4, Sch. para. 3](#)
- C9** Ss. 390-392 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\), reg. 7](#)
- C10** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies regulations 2009 \(S.I. 2009/1801\), {reg. 37} \(with Sch. 8\)](#)
- C11** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies Regulations 2009 \(S.I. 2009/1801\), reg. 52 \(with Sch. 8\)](#)
- C12** Ss. 380-416 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\), regs. 3-5, Sch. 1 para. 10](#) (with transitional provisions and savings in [regs. 7, 9, Sch. 2](#))
- C13** S. 391 applied (with modifications) (31.7.2015) by [The European Grouping of Territorial Cooperation Regulations 2015 \(S.I. 2015/1493\), regs. 1\(2\), 7\(1\)](#) (with [reg. 11](#))

392 Alteration of accounting reference date

- (1) A company may by notice given to the registrar specify a new accounting reference date having effect in relation to—
- (a) the company's current accounting reference period and subsequent periods, or
 - (b) the company's previous accounting reference period and subsequent periods.

A company's "previous accounting reference period" means the one immediately preceding its current accounting reference period.

- (2) The notice must state whether the current or previous accounting reference period—
- (a) is to be shortened, so as to come to an end on the first occasion on which the new accounting reference date falls or fell after the beginning of the period, or

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- (b) is to be extended, so as to come to an end on the second occasion on which that date falls or fell after the beginning of the period.
- (3) A notice extending a company's current or previous accounting reference period is not effective if given less than five years after the end of an earlier accounting reference period of the company that was extended under this section.

This does not apply—

- (a) to a notice given by a company that is a subsidiary undertaking or parent undertaking of another [F1UK] undertaking if the new accounting reference date coincides with that of the other [F1UK] undertaking or, where that undertaking is not a company, with the last day of its financial year, or
- (b) where the company is in administration under Part 2 of the Insolvency Act 1986 (c. 45) or Part 3 of the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19)), or
- (c) where the Secretary of State directs that it should not apply, which he may do with respect to a notice that has been given or that may be given.
- (4) A notice under this section may not be given in respect of a previous accounting reference period if the period for filing accounts and reports for the financial year determined by reference to that accounting reference period has already expired.
- (5) An accounting reference period may not be extended so as to exceed 18 months and a notice under this section is ineffective if the current or previous accounting reference period as extended in accordance with the notice would exceed that limit.

This does not apply where the company is in administration under Part 2 of the Insolvency Act 1986 (c. 45) or Part 3 of the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19)).

- (6) In this section “[F2UK undertaking]” means an undertaking established under the law of any part of the United Kingdom ^{F3}....

Textual Amendments

- F1** Word in s. 392(3)(a) substituted (31.12.2020) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/145), reg. 1(2)(c), **Sch. 2 para. 4(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in s. 392(6) substituted (31.12.2020) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/145), reg. 1(2)(c), **Sch. 2 para. 4(b)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Words in s. 392(6) omitted (31.12.2020) by virtue of [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/145), reg. 1(2)(c), **Sch. 2 para. 4(b)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)

Modifications etc. (not altering text)

- C6** Ss. 380-414 applied (with modifications) (1.10.2009) by [S.I. 2009/2436](#), regs. 3-5, **Sch 1 para. 10** (with [reg. 7](#), **Sch. 2**) (and the said Sch. 1 para. 10 is amended (with application in accordance with reg. 1(3) of the amending S.I.) by [The Unregistered Companies \(Amendment\) Regulations 2013](#) (S.I. 2013/1972), regs. 1(2), **2(2)(a)**)
- C14** Ss. 390-392 excluded (6.4.2008) by [The Bank Accounts Directive \(Miscellaneous Banks\) Regulations 2008](#) (S.I. 2008/567), reg. 4, **Sch. para. 3**
- C15** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies regulations 2009](#) (S.I. 2009/1801), {reg. 37} (with Sch. 8)
- C16** Ss. 390-392 applied (with modifications) (1.10.2009) by [The Overseas Companies Regulations 2009](#) (S.I. 2009/1801), **reg. 52** (with Sch. 8)

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- C17** Ss. 380-416 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, **Sch. 1 para. 10** (with transitional provisions and savings in regs. 7, 9, Sch. 2)
- C18** Ss. 390-392 applied (with modifications) (1.10.2008) by [The Limited Liability Partnerships \(Accounts and Audit\) \(Application of Companies Act 2006\) Regulations 2008 \(S.I. 2008/1911\)](#), **reg. 7** (as amended (31.12.2020) by [The Accounts and Reports \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/145\)](#), reg. 1(2)(c), **Sch. 3 para. 14**; 2020 c. 1, Sch. 5 para. 1(1))

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 156A-156C inserted by [2015 c. 26 s. 87\(4\)](#)
- s. 156B(5) omitted by [2023 c. 56 Sch. 2 para. 26](#)
- s. 156C(2) words substituted by [2023 c. 56 s. 41\(2\)\(a\)](#)
- s. 156C(2A) inserted by [2023 c. 56 s. 41\(2\)\(b\)](#)
- s. 156C(3) substituted for s. 156C(3)-(5) by [2023 c. 56 Sch. 2 para. 27](#)
- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 1047(4)(i)(j) inserted by [2023 c. 56 s. 21\(2\)](#)
- s. 1087(da) substituted by [2023 c. 56 s. 52\(2\)](#)
- s. 1110E-110G applied by S.I. 2009/1804, reg. 60 (as amended) by [S.I. 2024/234 reg. 26](#)
- s. 11989A applied (with modifications) by S.I. 2009/1804, reg. 79A (as inserted) by [S.I. 2024/234 reg. 46](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))