



Companies Act 2006

2006 CHAPTER 46

PART 17

A COMPANY'S SHARE CAPITAL

CHAPTER 10

REDUCTION OF SHARE CAPITAL

Private companies: reduction of capital supported by solvency statement

644 Registration of resolution and supporting documents

- (1) Within 15 days after the resolution for reducing share capital is passed the company must deliver to the registrar—
- (a) a copy of the solvency statement, and
 - (b) a statement of capital.

This is in addition to the copy of the resolution itself that is required to be delivered to the registrar under Chapter 3 of Part 3.

- (2) The statement of capital must state with respect to the company's share capital as reduced by the resolution—
- (a) the total number of shares of the company,
 - (b) the aggregate nominal value of those shares,
 - [^{F1}(ba) the aggregate amount (if any) unpaid on those shares (whether on account of their nominal value or by way of premium), and]
 - (c) for each class of shares—
 - (i) prescribed particulars of the rights attached to the shares,
 - (ii) the total number of shares of that class, and
 - (iii) the aggregate nominal value of shares of that class, ^{F2}...
 - ^{F2}(d)

Changes to legislation: There are currently no known outstanding effects for the Companies Act 2006, Section 644. (See end of Document for details)

- (3) The registrar must register the documents delivered to him under subsection (1) on receipt.
- (4) The resolution does not take effect until those documents are registered.
- (5) The company must also deliver to the registrar, within 15 days after the resolution is passed, a statement by the directors confirming that the solvency statement was—
 - (a) made not more than 15 days before the date on which the resolution was passed, and
 - (b) provided to members in accordance with section 642(2) or (3).
- (6) The validity of a resolution is not affected by—
 - (a) a failure to deliver the documents required to be delivered to the registrar under subsection (1) within the time specified in that subsection, or
 - (b) a failure to comply with subsection (5).
- (7) If the company delivers to the registrar a solvency statement that was not provided to members in accordance with section 642(2) or (3), an offence is committed by every officer of the company who is in default.
- (8) If default is made in complying with this section, an offence is committed by—
 - (a) the company, and
 - (b) every officer of the company who is in default.
- (9) A person guilty of an offence under subsection (7) or (8) is liable—
 - (a) on conviction on indictment, to a fine;
 - (b) on summary conviction, to a fine not exceeding the statutory maximum.

Textual Amendments

- F1** S. 644(2)(ba) inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 6 para. 10\(a\)](#); S.I. 2016/321, reg. 6(e)
- F2** S. 644(2)(d) and word omitted (30.6.2016) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 6 para. 10\(b\)](#); S.I. 2016/321, reg. 6(e)

Modifications etc. (not altering text)

- C1** S. 644 modified (1.10.2008) by [The Companies Act 2006 \(Commencement No. 7, Transitional Provisions and Savings\) Order 2008 \(S.I. 2008/1886\)](#), [art. 4](#) (which article was revoked (1.10.2009) by S.I. 2008/2860, [art. 6](#) (with arts. 5, 7, 8, Sch. 2))

Commencement Information

- I1** S. 644 wholly in force at 1.10.2008; s. 644 not in force at Royal Assent, see s. 1300; s. 644 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6, 8](#), [Sch. 5](#)); s. 644 in force at 1.10.2008 in so far as not already in force by [S.I. 2008/1886](#), [art. 2](#) (with [arts. 6, 7](#))

Changes to legislation:

There are currently no known outstanding effects for the Companies Act 2006, Section 644.