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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations determine the penalties which companies must pay to the registrar of companies if they file their annual accounts and reports late, and which limited liability partnerships must pay if they deliver their accounts and auditors' reports late.

The penalties for late filing of accounts and reports under the Companies Act 2006 (for financial years beginning on or after 6th April 2008) are set out in the table in regulation 2 when the filing takes place before 1st February 2009, and in the table in regulation 4 when the filing takes place on or after 1st February 2009. The penalty is doubled for late filing in two successive years beginning on or after 6th April 2008. The level of penalty depends upon whether the company was public or private at the end of the financial year in question (regulation 1(4)).

The provisions about penalties for late filing of accounts and reports under the Companies Act 1985 (for financial years beginning before 6th April 2008) are also amended. The level of penalty depends upon whether the company was public or private at the end of the financial year in question (regulation 3). When the filing takes place on or after 1st February 2009 the penalties are as set out in the table in regulation 5. There is no provision for doubling the penalty for late filing in two successive years when either year began before 6th April 2008.

The penalties set out in the table in regulation 5 also apply to late delivery on or after 1st February 2009 of the accounts and auditors' reports of limited liability partnerships. This is because any change to the provisions in the Companies Act 1985 which have been applied to limited liability partnerships by the Limited Liability Partnerships Regulations 2001 automatically applies to limited liability partnerships as well as to companies.

The provision for doubling the penalty for late filing in two successive years, however, does not apply to limited liability partnerships, because section 453 of the Companies Act 2006 does not yet apply to limited liability partnerships.

The new 9-month deadline in the Companies Act 2006 for filing private company accounts and reports is applied by regulation 6 and the Schedule to the delivery of the accounts and auditors' reports of limited liability partnerships for financial years beginning on or after 6th April 2008. Regulation 6 and the Schedule also apply the new rules in section 443 of that Act for calculating that deadline.

There is no impact assessment for these Regulations as compliance with the filing requirements for accounts and reports would result in no additional cost to business. Any cost in relation to the application of the provisions as outlined above to limited liability partnerships is minimal and is covered in the Impact Assessment to the consultation on the application of the Companies Act 2006 to limited liability partnerships. This can be found at:

<http://www.berr.gov.uk/bbf/lip/page39897.html>