

New measures from the Economic Crime and Corporate Transparency Act introduced on 4 March 2024



From Monday 4 March 2024, Companies House (“CH”) has new and enhanced powers to improve the quality and reliability of its data and tackle misuse of the companies register.

One of the key aims of the ECCTA is to improve the accuracy and quality of the data on CH registers, to help tackle economic crime and drive confidence in the UK economy.

The ECCTA has introduced new statutory objectives for the registrar of companies which they must promote when performing their functions. It also provides the registrar with a suite of new and enhanced powers, to enable them to meet their objectives which comprise of the following:

- To ensure that anyone who is required to deliver a document to the registrar does so (and that the requirements for proper delivery are complied with)
- To ensure information contained in the register is accurate and that the register contains everything it ought to contain
- To ensure that records kept by the registrar do not create a false or misleading impression to members of the public
- To prevent companies and others from carrying out unlawful activities or facilitating the carrying out by others of unlawful activities

These objectives also apply to the registrar of companies for Scotland and the registrar of companies for



Northern Ireland.

What's changed and what this may mean for you

Registered office addresses

There are new rules for registered office addresses which mean companies must, at all times, have an 'appropriate address' as their registered office.

An address is an 'appropriate address' if, in the ordinary course of events:

- a document addressed to the company, and delivered by hand or by post, would be expected to come to the attention of a person acting on behalf of the company
- the delivery of documents is capable of being recorded by the obtaining of an acknowledgement of delivery

These changes mean you're not able to use a PO Box as your registered office address. CH say they [will take action against companies that do not have an appropriate registered office address](#).

Statement of lawful purpose

There is a new requirement when you register or 'incorporate' a company. The subscribers to the company need to confirm they are forming the company for a lawful purpose.

A company will also need to confirm its intended future activities are lawful on their annual confirmation statement.

Registrar's powers

The registrar has greater powers to query and challenge information that appears to be incorrect or inconsistent with information held by CH. In some cases, CH will remove information more quickly, if that information is inaccurate, incomplete, false or fraudulent.

There will be stronger checks on company names which may give a false or misleading impression to the public. This will help CH improve the accuracy and quality of the data it holds and help to tackle the misuse of company names.

CH will use annotations on the register to let users know about potential issues with the information that has been supplied to it. CH will also be taking steps to clean up the register, using data matching to identify and remove inaccurate information.

A [new identity verification process](#) is set to be introduced later in 2024.

Enforcement and sanctions

There will be serious consequences if a company does not respond to a formal request from CH for more information. This could include:

- A financial penalty
- An annotation on the company's record
- Prosecution



There could also be serious consequences for a company if their registered office is not an appropriate address. If CH is satisfied a company's registered office is not appropriate, it will change it to a default address, held at CH. If a company's registered office is moved to the default address, they must provide an appropriate address with evidence of proprietary ownership within 28 days, or CH could start the process to strike the company off the register.

A reminder of CH fees

Voluntary strike off	Paper	£44
Voluntary strike off	Digital	£33
Administrative restoration	Paper	£468
Change of name	Paper	£30
Change of name (same day)	Digital	£83
Change of name	Digital	£20
Registration of a charge	Paper	£24
Registration of a charge	Digital	£15

How we can help

If you require any assistance with anything mentioned in this article please [get in touch](#).



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