

FILING PROFIT & LOSS ACCOUNTS AT COMPANIES HOUSE



Recent announcements on the GOV.UK website have confirmed that the proposed requirement for small companies to file a profit and loss account at Companies House has been delayed.

The original plan, which formed part of wider reforms under the Economic Crime and Corporate Transparency Act 2023, would have required small and micro entities to place more detailed financial information on the public record. This included the removal of filleted accounts and the filing of a full profit and loss account.

The government has now confirmed that these changes will not proceed to the previously expected timetable and are currently under review. No new implementation date has been set.

WHAT THIS MEANS FOR YOU

For now, there is no change to your current filing position.

You can continue to file reduced accounts at Companies House, without including a profit and loss account on the public record. Your full accounts will still need to be prepared for tax and internal purposes, but these do not need to be disclosed publicly.

Importantly, the government has also confirmed that businesses will be given advance notice before any new requirements are introduced. This means there should be time to plan if the proposals are brought back in a revised form.

WHY THIS STILL MATTERS

Although the changes have been delayed, they have not been abandoned.

The wider direction of travel remains towards increased transparency and improved quality of information at Companies House. It is therefore possible that some form of expanded disclosure requirement will be introduced in the future.

This is why the current position should be viewed as a pause rather than a permanent reversal.

POINTS TO CONSIDER NOW

Given the level of concern around public disclosure of profit figures, this is a good time to reflect on your options and future approach.



You may wish to consider:

- how comfortable you would be if more detailed financial information became publicly available
- whether your current company structure remains appropriate
- the potential impact on negotiations with customers, suppliers or competitors
- whether profit levels and margins are commercially sensitive in your sector
- In some cases, it may also be worth reviewing longer term planning, including how profits are retained or extracted, and how the business is positioned financially.

WE CAN HELP

Taking advice at the outset can help you achieve the tax benefits while avoiding unexpected challenges.

There is no need to take immediate action, but it would be sensible to stay informed and consider your position ahead of any future changes. We will continue to monitor developments and keep you updated as further announcements are made.

If you would like to discuss how these proposals could affect your business, or explore whether any changes might be appropriate, please get in touch on **01753 888 211** or **email info@nhllp.com**, we are here to help.