





# **Companies House**

## **Annual report and accounts 2025 to 2026**

For the period 1 April 2025 to 31 March 2026

Accounts presented to the House of Commons pursuant to section 7 of the Government Resources and Accounts Act 2000

Report presented to the House of Commons by Command of His Majesty

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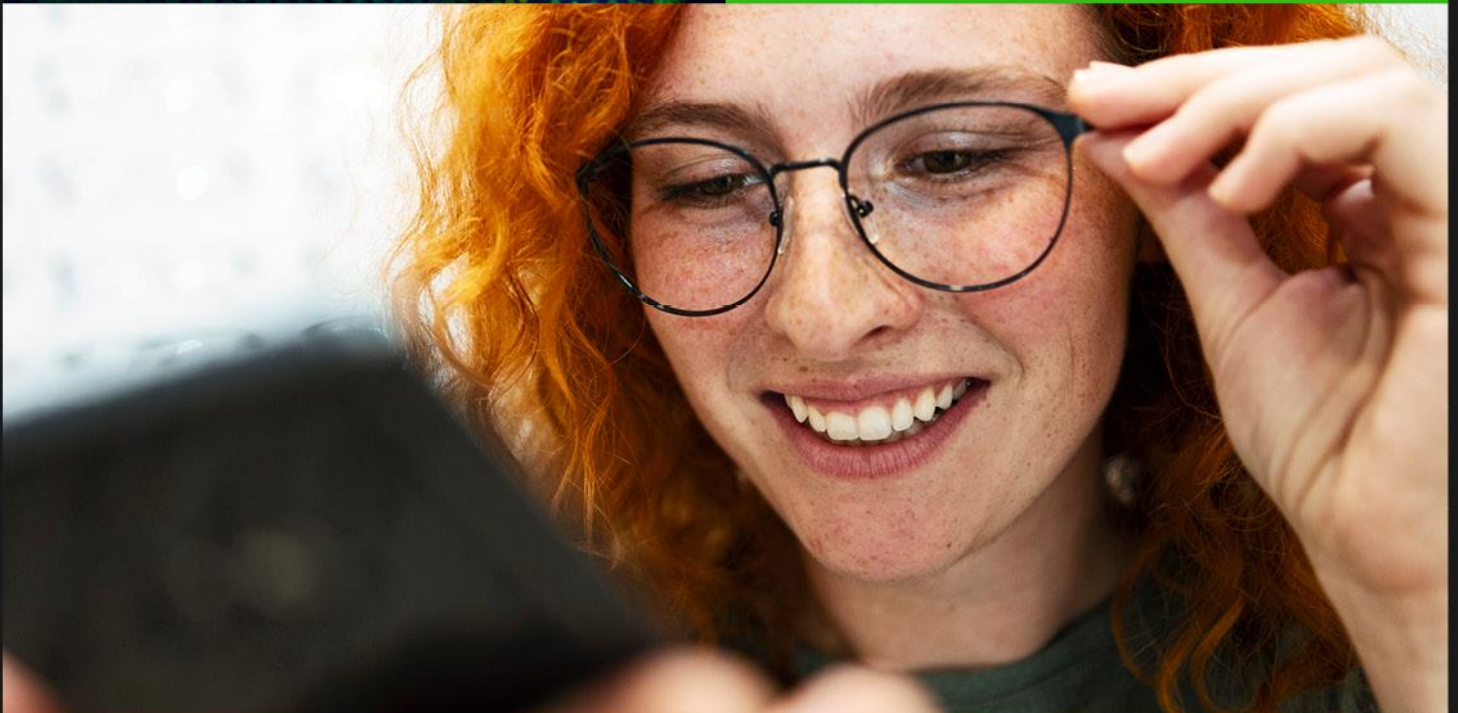
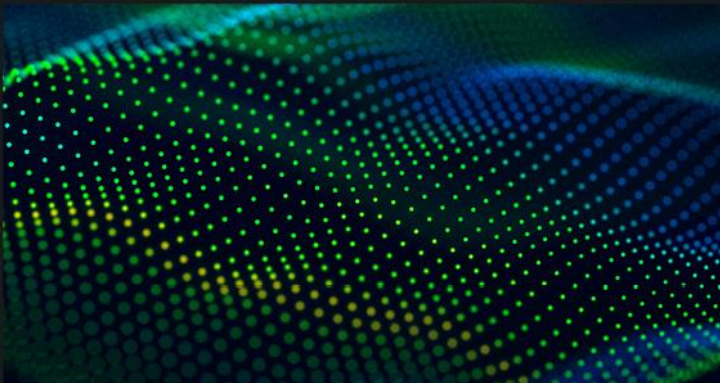
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# 01

## Performance report





# Introduction

This performance report introduces our role, operating environment, and organisational structure. It is accompanied by an introduction from the Chief Executive of Companies House, which outlines our mission, the impact of our work, and the measures we are taking to prepare the organisation for future challenges.

It summarises performance against our strategic objectives and public targets, explains where we did not meet those targets, and sets out the main risks that affected delivery.



## Chief Executive's introduction

It has been a privilege to join Companies House as Chief Executive in September 2025, during a year of significant delivery and transition for the organisation. The 2025 to 2026 financial year marks the first year of our new strategy, and I have been struck by the sense of purpose and commitment with which colleagues across Companies House are already bringing it to life.

A major focus this year has been the successful implementation of mandatory identity verification. This is a landmark change for Companies House and a critical step in ensuring the integrity of the register. Delivering it safely and effectively, while continuing to meet high volumes of transactions, represents a substantial achievement. As we make these changes, we remain committed to minimising administrative burdens on companies and ensuring that compliance is as straightforward as possible.

Our role sits at the intersection of growth and protection. Limited liability remains a cornerstone of the UK's economic success, supporting enterprise and innovation, while the data we hold underpins confidence in the business environment. At the same time, we are taking firmer action to reduce the harms caused by economic crime, particularly where the register has been misused, strengthening its value to the wider economy and society.

Customer experience is central to how we deliver our strategic goals. Continued investment in our digital services and a clear focus on usability and reliability are helping us improve how people interact with Companies House, even as we introduce substantial reforms.

None of this would be possible without the dedication and professionalism of our people. I want to thank colleagues for their resilience, expertise, and commitment to public service. Our new values provide a strong foundation for our strategy, supporting collaboration, accountability, and a shared focus on impact as we continue to modernise Companies House for the years ahead.

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



## Chair's introduction

I joined Companies House as Chair in March 2026, towards the end of the financial year. Much of the progress set out in this report was therefore delivered under the chairmanship of my predecessor, John Clarke. I would like to thank John for his leadership and commitment during a significant period of reform, and for the energy and diligence he brought to the organisation.

Companies House has a long-standing and distinctive role in supporting confidence in the UK economy. For almost 180 years, limited liability has provided the foundation on which entrepreneurs can create, invest in and grow a business. Today, that enduring principle is complemented by the growing value of the data we hold, which supports transparency, trust and informed decision-making across the economy.

During the last year, Companies House successfully navigated and implemented one of the most significant changes in its history: the introduction of compulsory identity verification. This reform marks a major step in strengthening the integrity of the register, enhancing corporate transparency and making it more difficult for UK companies to be misused for criminal purposes. Delivering this change required sustained effort across the organisation and close engagement with customers and partners, and it is a testament to the professionalism and capability of our people that it has been achieved.

Across all of this work, a clear sense of what Companies House exists to achieve and the public good it serves remains essential. That sense of purpose shapes how we deliver reform, how we use our powers, and how we balance ease of doing business with the need for transparency and trust.

As Chair, I am proud to support an organisation that has delivered meaningful change while staying focused on its contribution to economic growth. Through my induction I have met very many committed, capable and knowledgeable colleagues. Together, I am confident that Companies House will take the next steps in the transformation towards a more digital and streamlined customer experience, which builds on the progress of this year.

I am pleased to say that the Board committed to and has made progress with the action plan that it agreed in November 2025, following an internal Board effectiveness review. The next review will be an independent review, to be held in the second half of this year.

I look forward to working with the Board and colleagues across Companies House to build on this progress and strengthen our effectiveness in the years ahead.

**Ros Rivaz**  
Chair of Main Board  
2 July 2026



# Performance overview

This performance overview introduces Companies House, our strategy, and our performance highlights from 2025 to 2026. It summarises performance against our strategic objectives and public targets, explains where we did not meet those targets, and sets out the main risks that affected delivery of our strategy and business plan.

## Who we are

Companies House is an executive agency of the Department for Business and Trade (DBT). We hold the United Kingdom's registers of companies and the Register of Overseas Entities (ROE).

We register and maintain information on UK companies, making this data openly available to support transparency and trust in the UK business environment. We are dedicated to providing outstanding and efficient services to all our customers and users. Our work helps create the conditions for economic growth by giving businesses and investors valuable, reliable information and helping to prevent the misuse of company data.



## Companies House at a glance 2025 – 2026

**UK register size**  
(as at 31 March 2026)

**5.48**  
**million**

2024/25: 5.43 million

**Number of times the register  
data was accessed**

**14.6bn**

2024/25: 16.3 billion

**Total filings  
accepted**



**16.5**  
**million**

2024/25: 14.7 million

**Incorporations**

**815,280**

2024/25: 801,871

**Dissolved companies**

**787,261**

2024/25: 726,813

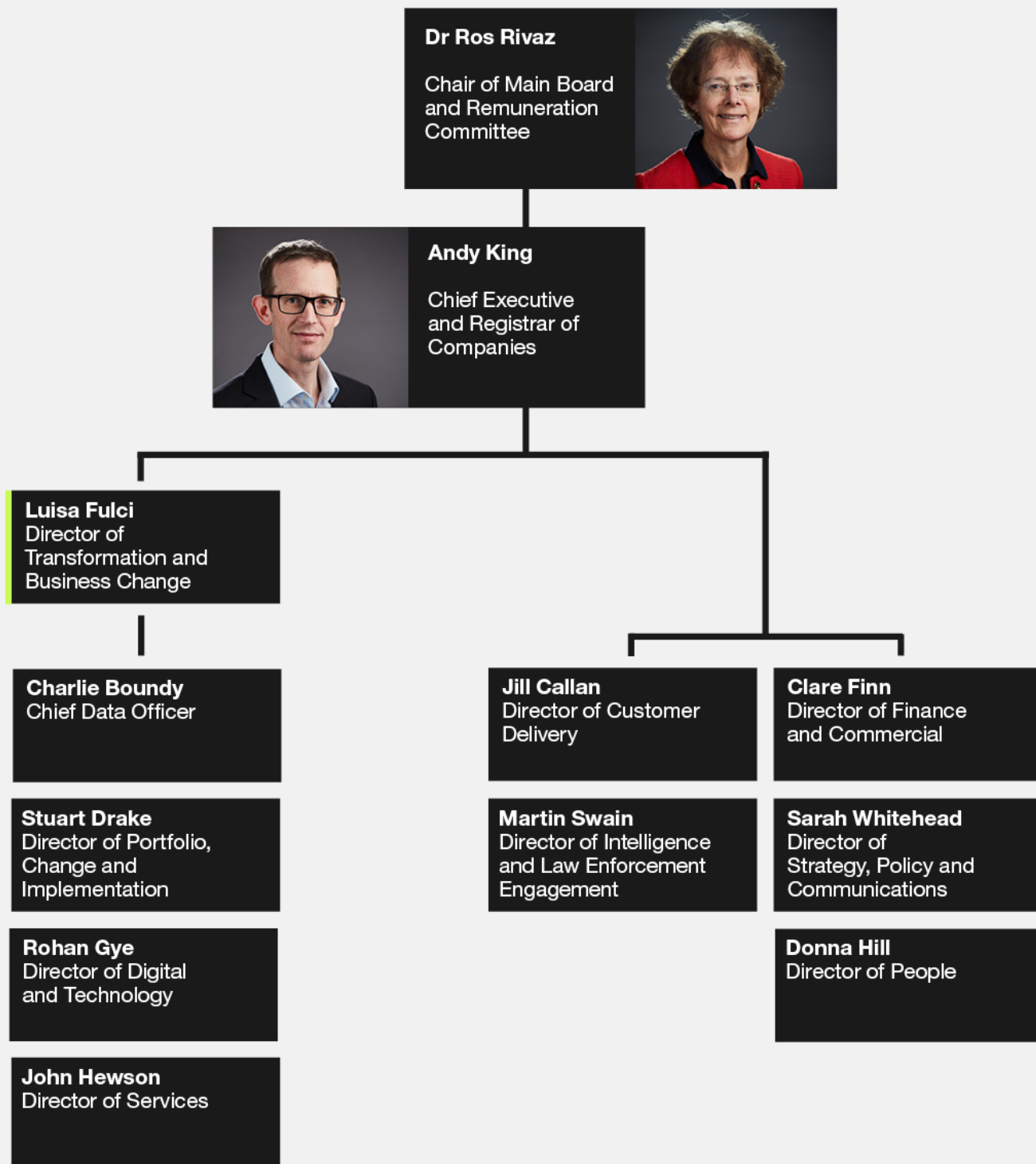
**Filings accepted  
digitally**



**15.4**  
**million**

2024/25: 13.5 million

# Structure





## Registrar's statutory objectives

The registrars' objectives are set out in law. In exercising their functions, the registrars must promote the following objectives:

- 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)
- ensure information contained in the register is accurate and that the register contains everything it ought to contain
- ensure that records kept by the registrar do not create a false or misleading impression for members of the public
- prevent companies and others from carrying out unlawful activities or facilitating the carrying out by others of unlawful activities

These objectives demonstrate that Companies House has responsibilities that extend beyond the provision of quality services. While we are strongly focused on delivering an excellent customer experience for companies and improving the reliability, accessibility and usability of our data, we also have a wider duty to the UK business environment. This includes acting where necessary to prevent misuse of the register, reducing the risk of economic crime, and ensuring that unlawful activity does not occur on our watch. Our approach therefore balances service improvement with robust assurance, recognising that trust in the register underpins confidence in the UK as a place to do business.

## Our strategic context

Supporting economic growth is central to our role. Limited liability is what gives people the confidence to start businesses in the UK. It means that if a company fails, its owners usually lose only what they invested - not their home, savings, or family security. That clarity matters. It encourages people to take sensible risks, back new ideas, and grow businesses that create jobs and services we all rely on. By protecting individuals while enabling enterprise, limited liability has helped make business more open, more accessible, and more resilient—turning ideas into companies, and companies into contributors to the wider economy.

Companies House founding purpose of limited liability still matters. In return, companies are expected to meet transparency requirements which have shaped the role of the register over time. Beyond supporting incorporation, the register is now widely trusted and used to inform credit decisions, commercial relationships and risk assessments across the economy. That trust gives the register real value, but it also creates a responsibility to go further. Our ambition is for Companies House data to be authoritative. That means the register should be transparent about what we know, what we are checking, and where concerns exist. In practical terms, this means improving the quality of the data we already



hold by correcting errors, taking action where information has been deliberately misused, and clearly flagging cases that appear unusual. It also means preventing misleading or inaccurate information from entering the register in the first place. Finally, authoritative data must be usable data—structured, accessible and interoperable - so that others can derive maximum value from it in a modern, digital economy.

## Our strategic focus

In October, we published [our strategy to 2030](#). It sets out our vision to be the trusted guardian of corporate transparency, acting as a catalyst for economic growth, while protecting business and people from harm.

To deliver this vision, we must continue to evolve how we operate. That means investing in the skills and culture needed to operate confidently in a data-led, digital environment, while modernising the technology, systems and processes that underpin our services. We are strengthening specialist capability in areas such as digital delivery, data quality, analysis and intelligence, while simplifying ways of working to improve efficiency and resilience. At the same time, we are replacing ageing systems and manual processes with more secure, interoperable and scalable platforms that support better use of data across government and the private sector.

These focus areas are reflected in our six strategic objectives:

1. Ensure data is authoritative and transparent to increase its value to users and support economic growth
2. Prevent, detect and disrupt economic crime to safeguard the integrity of the registers and protect individuals and businesses from harm
3. Implement reforms to the UK's company law framework to increase corporate transparency and improve the integrity of our registers
4. Provide seamless services that make it easier for people to do business with Companies House
5. Modernise our technology to be secure, responsive, and efficient
6. Evolve our culture and conditions to enable people to perform at their best and be fulfilled in their roles

Each objective includes key actions to help us achieve our vision which, in turn, inform our annual business plans. 2025 to 2026 was the first year of implementing our strategy, and the Performance Analysis section below sets out our achievements in each of the objectives.



## International partnerships

Our work also has an international reach. We contribute to global forums, including the Corporate Registers Forum and the European Business Registry Association, to share expertise and promote higher standards in business registration, enforcement, and governance. We also use international benchmarks through Business Registry Insights to help us improve services and support safer business practices.

Through these partnerships, we help influence global approaches to corporate transparency and economic crime. We use this insight to strengthen our own approach. This ensures our registers align with international best practice and support a more trusted and consistent UK business environment.

## Our values

We developed new values in 2025 to 2026, with input from Companies House colleagues, to help align our culture with our purpose and strategic priorities. They reflect who we are and what we stand for. Our values underpin the decisions we make and how we deliver our strategy.



**Customer excellence:** exceeding expectations, every time; putting customers and users first in everything we do



**Inclusive:** valuing and celebrating our differences; recognising and appreciating the value of different perspectives, experiences, and culture in every interaction we have



**Collaborative:** achieving more together through mutually beneficial partnerships



**Agile:** adapting quickly and delivering continuously; learning through a dynamic environment



**Outcomes focused:** driving results that matter, continuously improving how we deliver and ensuring we direct our resources where they make the greatest difference



## Performance highlights

In 2025 to 2026 Companies House focused on delivering reliable services for customers, while implementing changes that will strengthen the integrity of the register and grow the value of the data we share. We met or exceeded all but one of our public measures.

We began a 12-month transition to mandatory identity verification for company directors and people with significant control (PSCs) in November, following a successful voluntary period. During the six-month voluntary period, more than one million people completed identity verification. High early uptake gave us valuable insight and confidence ahead of the mandatory rollout, allowing us to refine the service, support and guidance. We delivered identity verification through a fully automated service on the GOV.UK One Login platform, providing a single, secure, online platform for most users. Identity verification is a significant reform for Companies House and our customers and will give us – and the users of our data – confidence that people behind companies are who they say they are. 94% customers report that they found the process straightforward, and businesses continue to have confidence that the reforms are beneficial.

Customer experience is fundamentally important to us. Through the year, we have sought to minimise burdens and make it as easy as possible for customers to do business with us. This included new digital contact options to resolve customer queries more quickly, tailored support for those who need extra help and the launch of our Welsh language contact line. We used insight and feedback from customers, intermediaries and industry partners to improve guidance and target campaigns more effectively. We were disappointed to miss our ambitious customer satisfaction target (82%) this year but had expected that introducing the change of identity verification would cause a short-term dip in satisfaction. We remain committed to excellent customer experience.

We have taken action to reduce misuse of the register, making it more difficult for economic crime and fraud to hide behind the UK's company law framework, and to ensure the data we hold is increasingly authoritative and more valuable to users. We took a range of targeted actions against 157,679 companies, from removing information and annotating records, to striking companies from the register where necessary.

We ramped up our partnership with the Insolvency Service, His Majesty's Revenue & Customs (HMRC) and enforcement bodies to share intelligence and target suspected fraud and abuse. Using enhanced data sharing powers, we identified risks earlier and worked jointly to assess cases, coordinate actions and support investigations, including national operations where shared intelligence helped target large scale organised crime. This also included referrals to the Insolvency Service on 231 cases, of which 169 were made to their new Intelligence Cell (138 in 2024 to 2025), which resulted in the Insolvency Service completing 14 investigations into unlawful activity and five companies being wound up by the High Court in the public interest.



At the same time, we have been improving the efficiency of Companies House, delivering £6.7 million in savings against a target of £4.5 million, while maintaining service performance. We achieved this by increasing digital communications, expanding cloud technology, removing waste, and lowering ongoing running costs. As part of a shift to more digital ways of working, we have made use of the new requirement for companies to provide a registered email address (REA). We now use the REA to contact companies about specific filings, replacing more costly and time-consuming communications and improving the efficiency and effectiveness of customer engagement.

The performance analysis below sets out further detail about Companies House delivery in 2025 to 2026.

## Principal risks

We use an established framework to identify, assess and manage risk, supported by governance and internal controls set out in the Accountability Report. The Executive Committee reviews strategic risks regularly, oversees mitigation and monitors emerging issues.

We define principal risks as those that most affect delivery of our strategy and business plan 2025 to 2026. We manage these risks through defined controls and mitigation. They affect our ability to deliver core services, implement legislative reform and maintain confidence in the UK company register.

Our principal risks relate to:

- economic crime, register integrity and public trust
- resilience of data, digital services and emerging technologies
- financial sustainability and affordability
- delivery of legislative reform and strategic change
- organisational capability, capacity and culture for effective service delivery

We monitor these risks closely, review mitigation regularly and adjust our response to support delivery of our objectives.



# Performance analysis

This section explains how we delivered against our strategic objectives, including our operational performance and key achievements from our business plan.

## **Ensure data is authoritative and transparent to increase its value to users and support economic growth**

The UK company register underpins decisions on credit, investment and risk across the economy, supporting billions of searches and millions of filings each year. As demand for this data grows, we are investing in the infrastructure that supports the register to keep it secure, reliable and accessible. We are also improving how we collect, verify and present data. This strengthens its quality and ensures the register can support high volumes of activity and deliver value to the UK economy.

Our approach to preventing suspicious information from reaching the register has become more sophisticated. We strengthened data standards and validation, introduced automated monitoring and trialled new technologies, including artificial intelligence and machine learning. These changes helped us identify higher risk filings and spot emerging suspicious trends earlier, particularly where a company may be used as a cover for illegitimate activity. This has enabled us to learn and adapt our approach, introducing more effective interventions where the risk is greatest. In 2025 to 2026 we prevented:

- 26,797 suspicious filings from reaching the register (10,588 in 2024 to 2025)
- 9,556 incorporation applications (2,302 in 2024 to 2025)
- 17,241 filings for existing companies (8,286 in 2024 to 2025)

Cleansing data that already exists on the register is a multi-year endeavour, and we have continued to make progress. This year we removed a range of misleading information from the register, to make the data more reliable and to protect individuals and businesses from harm. This work included:

- removing inappropriate office addresses, because address misuse facilitates crime and is associated with financial harm to individuals. In 2025 to 2026 we removed 119,000 officer addresses and 95,200 PSC addresses.
- redacting personal data from 77,900 incorporation documents, where it had been used without the consent of the individual.
- removing 22,900 documents that contained inaccurate or misleading information.

We also annotated the public register to flag issues like non-compliance with information requests, director disqualification and where action has been taken to strike off companies registered on a false basis. As at 31 March 2026, 1,060 annotations had been made to company records to make information about non-compliance clearer and more

transparent. Our goal is to expand the use of annotations incrementally, to further improve transparency of the register.

## Case study:

### Using data to protect people from harm and prevent fraud

Improving the quality and integrity of the register is fundamental to preventing economic crime and protecting people from harm. By strengthening how we capture, analyse and act on data, we identified suspicious activity earlier and intervened more effectively.

In March, we discovered that people in a community in Northern Ireland had been targeted on social media and paid to share personal details, which were used to set up fraudulent companies. Criminals using the register as a front for potential criminal activity reduced data quality and exposed these people to legal and financial risk if the companies they were linked to were later investigated for illegal activity.

We responded by using our data more proactively. We updated our systems to flag all applications from the affected area for additional checks and took action where we identified suspicious activity. We are planning targeted social media campaigns to warn the wider community of the risks.

Our targeted, data-led activity effectively closed down the immediate risk and stopped suspicious incorporations before they entered the register.



We want to make our data more accessible and useful to a wider range of users. Working with researchers, we explored how financial services and fintech businesses use register data to inform decision-making. Early insights from this work are informing how we improve our services and how we make it easier for users of our data to extract value, and we will continue this work in the year ahead.

We have also strengthened our approach to responsible data use within Companies House, with clearer governance, ethical and quality frameworks, and continued investment in skills. This means we have more consistent data practices in place, giving us greater confidence in how we manage our data and use it to support decision making.

In the coming year, we will continue to strengthen the quality and integrity of the register by expanding data checks, using data analysis to prevent misuse, and working more closely with government partners. We will embed strong data governance, so our data is more reliable, more valuable to users and better supports economic growth.

## **Prevent, detect, and disrupt economic crime to safeguard the integrity of the registers and protect individuals and businesses from harm**

We used improved intelligence and secure data sharing powers to identify risk earlier. This helped us spot suspicious activity and data inconsistencies that may indicate fraud or criminal activity, and act quickly to prevent criminal harm. We expanded our work with partners across law enforcement and government, including the National Crime Agency (NCA). Together, we shared data, developed intelligence and supported investigations into serious and organised crime. When we found evidence of criminal activity, we worked together to disrupt and prosecute offenders.

### **Case study—**

#### **Millions seized in national operation to disrupt money laundering**

Criminal groups use high-street businesses to launder money, sell illicit goods and evade tax, creating significant harm to communities and the economy through illegal working, modern slavery and poor working conditions.

Companies House supported Operation Machinize 2, the UK's largest money laundering crackdown, led by the NCA and involving every UK police force, and Regional Organised Crime Unit, Home Office Immigration Enforcement, Trading Standards and HMRC.

During the operation in October, partners visited 2,734 premises, arrested 924 individuals and seized over £10.7 million in suspected criminal proceeds. Intelligence from Companies House helped identify illicit companies and target enforcement.

This case shows how new powers under the ECCT Act and stronger data sharing are helping Companies House disrupt economic crime and protect the integrity of the UK business environment.

We work particularly closely with the Insolvency Service and HMRC. During 2025 to 2026, our joint activity focused on identity verification, monitoring filings, removing non-compliant entities from the registers, and tackling abusive phoenixism. We will continue to strengthen this collaboration, aligning our approaches and identifying practical opportunities to deliver more joined-up services, and better outcomes for customers.

### Case study—

#### **Companies House intelligence enables disruption of large-scale misuse of UK company structures**

Three interconnected companies were enabling overseas clients to register UK companies at scale while operating outside legal requirements. This created a false impression of legitimate UK business activity and increased economic crime risk.

Intelligence from Companies House informed investigations by the Insolvency Service under Operation Hammerhead, working with partners to examine the companies' activities.

The High Court wound up these companies in the public interest. Investigations found more than 11,000 companies had been registered without proper checks, many with no real UK presence.



There are a range of actions we can take against a company to bring them into compliance or ensure they are removed from the company register. Our [enforcement policy](#) sets out our approach to compliance and enforcement in a proportionate and evidence-based way.



Work this year included:

- We entered 920 companies on the pathway to expedited strike off from the register where we were satisfied, they had been registered on a false basis.
- We removed 151,000 Registered Office Addresses (ROA) from the register as part of tackling address misuse.
- We continued piloting new penalties for serially non-compliant companies that failed to file an annual confirmation statement. During the pilot period from March 2024 to November 2025, we issued 1,354 penalty warnings.

This year we introduced a new case management system, to bring together case information, evidence and correspondence into one secure place. Case managers previously worked across multiple systems to investigate misuse of company information, slowing progress, and increasing the risk of errors. With the new system, investigators now manage cases more consistently, accurately and quickly. Managers have real-time oversight, supporting better decisions and stronger action to prevent non-compliance and misuse.

The Register of Overseas Entities is a public register intended to help combat money laundering by increasing transparency in the UK property market. As at 31 March 2026, it contains 33,100 registered overseas entities (32,054 as at 31 March 2025) and has been searched more than four million times.

In August 2025, we introduced the ROE trust disclosure service. Individuals can now apply for access to unpublished trust information where eligibility criteria are met. During 2025 to 2026 we also improved enforcement of financial penalties for overseas entities following a short operational pause in 2024 to 2025. We refined the end-to-end process and addressed operational constraints, including identifying penalties that were unlikely to be recovered and re-issuing penalties under the enhanced framework where earlier action did not achieve compliance. These changes support wider work to improve data quality, services and international engagement, enabling more targeted and proportionate enforcement. We will continue to monitor the effectiveness of the regime. Addressing non-compliance and pursuing unpaid penalties remains a priority.

Over the coming year, we will continue to take targeted action against those misusing the register for criminal activity or failing to verify their identity. We will also strengthen our partnerships with law enforcement, HMRC and the Insolvency Service to tackle fraud and protect the UK's business environment.



## **Implement reforms to the UK's company law framework to increase corporate transparency and improve the integrity of our registers**

The ECCT Act introduced major reforms to Companies House to improve the quality, transparency and usability of the public registers while safeguarding personal information. The Act also supports the government's response to strengthening law enforcement, regulatory frameworks, and cross-agency cooperation.

Identity verification has been a major programme of work for Companies House this year and has driven significant change. On 18 November, we launched mandatory identity verification for company directors and PSCs, to make sure that the people behind companies are who they say they are. By the end of the transition year (November 2026), we expect to have verified 6 to 7 million individuals in a two-part process that begins with an identity check via GOV.UK OneLogin, an Authorised Corporate Service Provider (ACSP) or the Post Office.

We began registering ACSPs at the end of the previous financial year (March 2025), as a third-party route to identity verification. Registered ACSPs must be based in the UK and supervised by a UK anti-money laundering supervisory body. We have powers to cease or suspend ACSPs that do not meet their statutory obligations and publish a list of these on [GOV.UK](https://www.gov.uk).

During an initial voluntary period (April to November), more than one million individuals completed their identity check to obtain their personal code. This allowed us to test services and understand the customer experience. We worked with customers and industry partners to address issues, using insights to refine guidance, user journeys, communications and internal processes. This helped make identity verification as straightforward as possible, minimising the burden on customers.

To support the implementation of identity verification, we launched new digital services in line with Government Service standards and GOV.UK branding, making them accessible, secure and easy to use:

- Verify your Identity for Companies House
- Tell Companies House you have verified someone's identity
- Provide identity verification details for a person with significant control

We completed service assessments where required to check the services met government standards and worked as intended for customers. Designing and testing services with users, and improving them iteratively, helped us understand user needs while supporting the registrar's objectives. In a February 2026 perception survey delivered for Companies House sampling businesses and the public, 94% of users who completed identity verification found the instructions clear and 90% found the process easy.

Public company records show the verification status of individual directors and PSCs, and we publish quarterly statistics on GOV.UK of the overall number of verifications completed. As at 31 March 2026:

- 3 million via GOV.UK OneLogin
- 783,000 via ACSPs

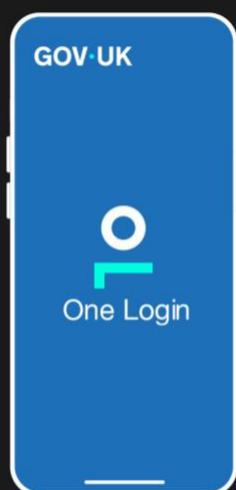
We have also observed a shift in customer behaviour around the time of mandatory identity verification introduction, suggesting that it has prompted individuals to review or update their company details, further improving the reliability of our data. We will continue to support compliance by encouraging company directors and PSCs to meet their requirements and by providing help where needed.

### Case study— **Compassionate support helped a remote customer complete identity verification**

A customer living on a remote Scottish island had complex health conditions that made travel difficult and facial recognition checks unreliable. Repeated failed attempts caused anxiety and put their ability to meet identity verification requirements at risk.

A trained adviser from the customer support team plus provided personalised, step-by-step support through the GOV.UK One Login app. The adviser tailored the process to the customer's needs, clearly explained each stage, and reassured the customer throughout, removing the need to travel to a Post Office.

The customer successfully verified their identity using Companies House services. They said that what had felt like an impossible task became achievable with less stress and expressed thanks for the support they received.



While identity verification was the primary reform in 2025 to 2026, it was not the only change implemented. In July, we introduced new protections for personal information on the register. These changes balance corporate transparency with the understanding that we should only publish personal information when it is necessary and proportionate. People can now apply to protect their date of birth, signature, business occupation and residential address in most cases. By 31 March 2026, we received 15,382 applications to protect personal information. We approved 9,790 (64%), removing this information from public view.

We recognise that changes to company obligations can create uncertainty and burden. Therefore, we wanted to make sure our customers had clear and timely information to understand what was required of them and could comply with confidence. Throughout 2025 to 2026, we delivered a sustained, multi-channel campaign to prepare and support businesses, intermediaries and stakeholders as the ECCT Act was implemented. Our communications raised awareness of new legal requirements and explained how changes would be introduced, giving customers the information they needed to prepare and comply.

### Case study— Helping customers understand reforms

We redesigned communications around the customer journey making it easier for customers to get it right first time. This reduced confusion and avoidable contact. We brought together guidance on our [Changes to UK Company Law](#) campaign website to create a single, authoritative source, reaching more than 925,000 pageviews. We also published more than 150 new and updated pages on GOV.UK, supported by targeted emails, media coverage and social media.

We focused on clear, practical guidance that explained new requirements and reassured customers about what to do and when. We worked with stakeholders and partners to reach customers who might otherwise have missed official guidance. Awareness of changes rose from 40.5% to 77% over the year and exceeded 80% among legal and accounting professionals.





In the coming year, we will continue to support directors and PSCs to complete identity verification and take steps towards extending mandatory identity verification to those who file on behalf of companies. We will continue to implement the remaining reforms of the ECCT Act, to make the UK's business environment more transparent and protect against the harms of economic crime. The latest information will be kept up to date on the [Changes to UK Company Law](#) website.

## **Provide seamless services that make it easier for people to do business with Companies House**

Companies House has a track record of delivering high standards of customer service, with Customer Service Excellence accreditation held for more than 18 years. The December 2025 assessment confirmed that these standards continue to be met and that customer focus is firmly embedded across the organisation.

We want to make it easy for customers to get it right first time. Enhancing guidance and support and continuously improving our digital services makes it simpler for companies to comply with their obligations and reduces the burden of correcting errors.

### **Highlights from 2025 to 2026 include:**

Customers continued to access our services quickly and complete tasks online using reliable services:

- An average contact centre call wait time of 3 minutes 55 seconds (1 minute 24 seconds 2024 to 2025). Wait times increased as we introduced identity verification but remained within the 5-minute ministerial target.
- 99.6% digital service availability (99.98% in 2024 to 2025) ensured a reliable digital service that customers can depend on to complete tasks on time.

We improved service accessibility and strengthened customer support so customers can resolve queries faster and get things right first time:

- A new [Contact Companies House](#) service, including chatbot and webchat, helps customers resolve queries faster. Improved digital triage ensures complex queries are quickly referred to specialist advisers.
- New bilingual services, including a dedicated Welsh language customer line and identity verification service, improve accessibility and the end-to-end experience for Welsh-speaking customers.
- Improvements to the confirmation statement, filing service and guidance have made it easier for customers to provide the correct information first time.
- We have started recruiting dedicated digital teams to improve services and ease of use based on continuous customer feedback.

We used targeted prompts to help customers act on time and return companies to compliance without formal enforcement:

- We sent 60,000 individual communications prompting customers to update their REA. Keeping this up to date ensures companies receive compliance messages and can respond promptly when action is required.
- We sent over 39 million emails and reminders to customers about their obligations, including identity verification and filing their accounts and confirmation statement.

This year we introduced big changes for customers through mandatory identity verification. We recognised that introducing identity verification would be challenging for some customers and took steps to reduce the burden including clear guidance and additional support. Nonetheless, some customers experienced friction and as a result, customer satisfaction fell to 75% from its usual level of just over 80%. While this outcome is disappointing, we believe this reflects a short-term impact of changes rather than a long-term change in overall customer experience of Companies House. Reducing friction across identity verification and other customer journeys remains a priority.

### Case study:

#### **Faster customer support through new tools**

Customers now have clearer, more flexible ways to get in touch with Companies House. Alongside the new “Contact Companies House” service, we introduced a chatbot offering 24/7 digital support with escalation to webchat when needed. The chatbot handles around 300 chats a day, contributing to a 5% shift away from phone calls. Around 30% of customers resolve their query without adviser support, with satisfaction averaging 80%. This gives customers quicker answers and greater choice, while enabling advisers to focus on complex queries.



24/7 digital support



In September, we introduced a new complaints system and updated complaints policy, to make sure issues are dealt with as quickly as possible, and lessons are learnt to improve services.

In the coming year, we will continue to use feedback to improve customer journeys and service efficiency. Ongoing collaboration with HMRC and the Insolvency Service will support clearer guidance and help customers meet their business obligations.

## **Modernise our technology to be secure, responsive, and efficient**

Our approach to modernising technology balances the need for service improvements now with planning for systems fit for the future.

In 2025 to 2026 we strengthened our digital infrastructure to improve essential services for users. Standardising software and moving systems to the cloud makes our systems more secure, improves performance and makes our services easier to update and scale. We migrated 90% of our online filing service to a more modern cloud platform, providing improved access to filing, management, and administration services. We also updated and migrated our finance system to a secure cloud platform, which is easier to maintain and adapt, strengthening financial control and business continuity. Alongside this, we made a range of system improvements to support more efficient ways of working, delivering technology efficiency savings. Together, these actions help ensure our systems are more efficient, reliable and responsive to user needs.

We used artificial intelligence safely and ethically to improve services and how we work, applying it across communications, customer operations, intelligence and enforcement, HR, and software development. For example, we trialled AI tools to help identify suspicious activity and improve data quality at scale. This helped us work more efficiently, improve customer experience, and deliver strategic outcomes more effectively.

Protecting personal and business information remains a priority. During 2025 to 2026 we strengthened systems and processes in line with government cyber security standards, introducing enhanced infrastructure protection and authentication across critical systems. This significantly reduced exposure to phishing and ransomware attacks. The publication of our [Counter Fraud Strategy](#) in January further strengthened protections against insider threats, commercial risks and vulnerabilities in our internal processes. (Further information about our counter fraud approach can be found in the Accountability Report). Ongoing training and regular simulated incident exercises supported colleagues' ability to operate safely and respond effectively in an increasingly challenging threat environment. We responded promptly and transparently to incidents, helping to maintain public trust and protect customer interactions.



In March, we were alerted to an issue affecting our WebFiling service which meant that an authenticated registered user of our WebFiling service could potentially access and change another company's details without their consent after performing a set of specific actions. We swiftly corrected the software defect and undertook independent testing and assessment. We recognised that this incident will have caused concern and inconvenience to many of the companies and individuals who rely on our services. We published information and guidance for users to help explain, reported the incident to the National Cyber Security Centre (NCSC) and Information Commissioner's Office (ICO) and immediately began a full review to fully understand what happened. After extensive investigations the evidence supports the conclusion that the overall impact was very low. The ICO have closed the case.

In the coming year, we will continue to review, maintain and upgrade our systems to improve efficiency, security and performance. We will also expand digital support for services, continue to responsibly integrate artificial intelligence, and set out a longer-term plan for further technology modernisation.

## **Evolve our culture and conditions to enable people to perform at their best and be fulfilled in their roles**

This year, saw significant recruitment activity to support the introduction of identity verification, with a particular focus on customer-facing roles, digital, data and technology specialists, counter-fraud and intelligence roles. We also appointed new senior executives with responsibility for transformation, change and service delivery. We began exploring AI enabled tools to improve recruitment efficiency and the candidate experience, to fill critical roles more quickly and reduce pressure on existing staff. Vacancy rates reduced from 11.8% at the start of the year to 6.8% at the end.

We expanded outreach activity to broaden the pool of talent we recruit from, supporting recruitment needs and helping to create a more diverse workforce. This included partnerships with schools and universities and programmes such as CyberFirst and TechFirst. Innovation-focused events, including hackathons, helped build future capability in cyber security and digital technology.

During 2025 to 2026, we strengthened long-term capability by establishing more sustainable skills pipelines. We expanded apprenticeships and graduate routes through a multi-pathway model, helping to build future workforce capacity. To improve operational and leadership capability, we invested in learning and development that was informed by learning needs analysis to ensure activity was targeted and relevant. We also introduced a new manager development programme aligned with Civil Service standards with 160 managers enrolled in its first year. This was complemented by an aspiring leaders programme and bespoke programmes for senior executives.

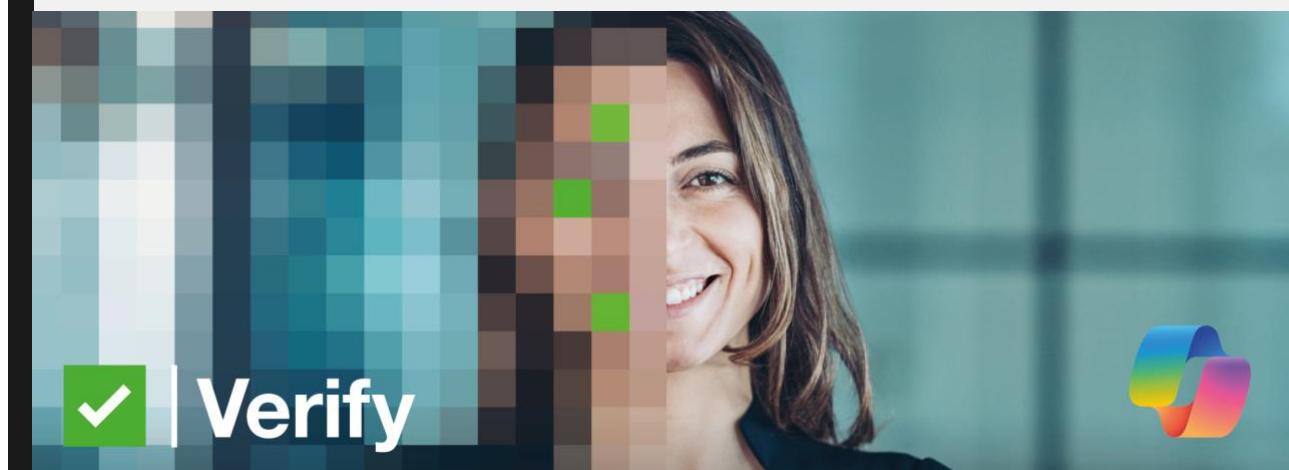
Since we launched our new values in January, we have started to embed them in how we work, using them to shape our behaviours, decisions and delivery. This has strengthened how we operate as an organisation, helping us adapt and respond to change, and work effectively across teams to make the greatest difference for customers and the public.

## Values in action— **Agile**

Peaks in identity verification email enquiries put pressure on operational teams, increasing handling times and risking delays for customers during a period of change.

Digital, operational and knowledge teams responded quickly by working together to trial a Copilot AI agent to help colleagues respond to common identity verification queries and improve consistency. During the trial, the AI agent helped respond to more than 3,600 customer emails, with much faster handling times than manual processing and responses needed little or no editing. This freed up colleague time, eased pressure at peak demand and supported colleague wellbeing.

Following the successful trial, we rolled out the AI agent into day-to-day operations. This shows how an agile approach enabled rapid testing, learning, and scaling of solutions to improve customer experience and operational resilience.



In the coming year we will continue to strengthen workforce planning to better anticipate future workforce and skills needs, helping us build sustainable talent pipelines. We will manage resources carefully, so we use public money responsibly while maintaining a flexible and effective workforce. We will also build leadership capability at every level through delivering the new management development programme, and continue to champion equality, diversity and inclusion across our culture, recruitment and outreach activity.



## Performance against our public targets

Our public targets are set by Ministers and reflect our priorities in 2025 to 2026. They demonstrate our commitment to economic growth, our focus on customer experience and reliable services, whilst taking action against wrongdoing to create a strong business environment.

### Customer satisfaction

Outcome

**75%**

**Target:** 82%

### Efficiency savings

Outcome

**5.9%**  
**(£6.7 million)**

**Target:** 4% in comparison  
to 2024/25 (£4.5 million)

### Use of new powers against unique companies

Outcome

**157,679**

**Target:** 150,000 unique companies

### Digital service availability

Outcome

**99.6%**

**Target:** 99.5%

### Implement compulsory identity verification for all new directors and PSCs

Outcome

**Launched on  
18 November 2025**

**Target:** Begin the transition  
period for existing directors and  
PSCs during the second half of  
the financial year

### Contact centre waiting times

Outcome

**3 minutes  
55 seconds**

**Target:** Less than 5 minutes in the  
call queues, on average



## Equality, diversity, and inclusion

We want everyone at Companies House to feel respected, included and be able to do their best at work. Our equality, diversity and inclusion policy supports the Civil Service Code and aligns with the Equality Act 2010. It applies to all colleagues, across all locations and working environments, and reinforces our commitment to equality, fairness and respect.

Our people networks and inclusive policies help create a fairer, more supportive and flexible workplace. For example, our Women's Network continues to play an important role in advancing gender equality and fostering an inclusive working environment. Our Menopause Network also continues to support employees affected by menopause, helping to reduce stigma, improve wellbeing and retain experienced talent, in line with the Employment Rights Act 2025. This year, we also updated family leave and flexible working arrangements and introduced new people policies.

We actively monitor equality, diversity and inclusion, publish statutory data and take targeted action where inequalities remain. Our latest gender [pay gap report](#), published in March 2026, shows a continued reduction in the gender pay gap. Both our mean and median gender pay gaps are now at their lowest levels since 2022. The mean gender pay gap is 7.9% in favour of men, which is a reduction from 12.9% in 2024. The median gender pay gap is 6.2% in favour of men, which is a decrease from 18.3% in 2024. This reflects improved representation of women and increased progression into higher-paid roles. Over the year, we increased female representation in male-dominated roles through targeted outreach and apprenticeships. This included achieving a 50% female intake in our software degree apprenticeship campaign. However, pay differences remain at senior grades. We recognise this and have plans in place to address it.

Our accreditations and external commitments provide independent assurance that our equality, diversity and inclusion activities are making a real difference for our people. Holding Investors in People platinum accreditation recognises the strength of our approach to leadership and development. We are currently undertaking reaccreditation with the aim of maintaining our platinum award. The "We Invest in Wellbeing" element of this accreditation reflects our focus on fairness, wellbeing and support at work. As a Disability Confident Leader and a signatory to the Race at Work Charter, we are taking practical action to remove barriers, tackle inequality and promote equal opportunity. Together, these accreditations show that our commitment to inclusion and wellbeing is embedded in how we operate and recognised beyond the organisation.



# Financial performance

## Financing

We are financed through a combination of both funding and income from three main sources. This combined funding model has enabled us to deliver against our strategic objectives, including introducing identity verification, strengthening enforcement and compliance activity and improving digital services, data quality and service performance.

HM Treasury sets the budgetary framework for government spending. The total amount a department spends is referred to as the total managed expenditure (TME), which is split into:

- annually managed expenditure (AME)
- departmental expenditure limit (DEL)

AME is more difficult to control as it is spent on activities which are demand-led in a way Companies House cannot predict. Companies House, alongside DBT, monitors AME forecasts closely and updates them annually.

HMT sets firm limits for DEL budgets, as DEL budgets are understood and controllable. The limit is set during a spending review which in the Autumn 2024 Budget the government committed to hold every two years, setting departmental budgets for a minimum of three years. DEL budgets are classified into Resource and Capital.

## Charging fees

We charge fees for functions and services under section 1063 of the Companies Act (2006). Fees may be charged for—(a) the performance of a duty imposed on the registrar or the Secretary of State, (b) the receipt of documents delivered to the registrar, and (c) the inspection, or provision of copies, of documents kept by the registrar. Following the enactment of the Economic Crime and Corporate Transparency Act (ECCT Act), section 1063 of the Companies Act (2006) was amended (by insertion of paragraph 3A) to allow Companies House to recover through fees, the funding for functions of the Secretary of State related to specified legislation, functions carried out by the Insolvency Service on behalf of the Secretary of State in connection with the detection, investigation or prosecution of offences, or the recovery of the proceeds of crime, so far as relating to bodies corporate or other firms, or in connection with the Insolvency Act 1986, so far as relating to bodies corporate or other firms, and various functions carried out by the Insolvency Service or other departments in Northern Ireland.



As noted, fees are managed according to the principles of 'Managing Public Money' where fees are set with the intention of recovering full costs.

During 2025 to 2026 fees charged by Companies House for the above generated £238.9 million (2024 to 2025: £203.9 million)

### Department funding

Funding from HM Treasury via our parent department (DBT) amounted to £19.9 million, of which £18.0 million was for capital investments and £0.3 million reflects utilisation of capital provision. The total RDEL funding was 1.6 million which is the net impact of the costs above and income received. This includes £0.1 million relating to resource provision utilisation.

The remaining funding was used to fund the Transformation Programme (£7.9 million) and enforcement activity where a penalty or sanction is levied (£15.2 million).

### The Economic Crime Levy

The Economic Crime (Anti Money Laundering) Levy was established through legislation in the Finance Act 2022. The levy is paid by entities subject to the Money Laundering Regulations 2017 to help fund initiatives to tackle money laundering. In 2025 to 26 Companies House received £2.1 million from the Economic Crime Levy.

## Expenditure

HM Treasury (HMT) has a constitutional role in controlling public expenditure. Government departments and their executive agencies need HMT consent before undertaking expenditure or committing to spending.

All legislation that affects spending must have the support of the Treasury before it is introduced. Policy decisions with financial implications must be cleared with the Treasury before they gain approval by the Cabinet.

## How expenditure is presented

We report expenditure in the financial statements, in the statement of comprehensive net expenditure (SoCNE). This is prepared in accordance with the Government Financial Reporting Manual which is based on International Accounting Standards (IAS) and is explained in more detail in the Financial Statements Note 1 accounting policies.

## Summary of Companies House's supply funded expenditure in 2025 to 2026

|                  | 2025/26<br>Budget<br>£000s | Actual<br>£000s | Variance<br>£000s | 2024/25<br>Actual<br>£000s |
|------------------|----------------------------|-----------------|-------------------|----------------------------|
| Resource DEL     | 11,395                     | 1,603           | (9,792)           | (22,431)                   |
| Capital DEL      | 22,596                     | 18,317          | (4,279)           | 19,622                     |
| <b>Total DEL</b> | <b>33,991</b>              | <b>19,920</b>   | <b>(14,071)</b>   | <b>(2,809)</b>             |
| Resource AME     | (137)                      | (136)           | 1                 | 103                        |
| Capital AME      | (249)                      | (250)           | (1)               | (331)                      |
| <b>Total AME</b> | <b>(386)</b>               | <b>(386)</b>    | <b>0</b>          | <b>(228)</b>               |

This table is not a replica of the SoCNE reported in the accounts. The headings used in this table reflect budgetary classifications used within Companies House.

## Statement of comprehensive net expenditure

In the 2025 to 2026 financial year, the size of the effective register increased by 1.2% (compared to the size of the effective register in 2024 to 2025).

Companies House reviewed its fees in 2025 due to rising costs. These costs include funding work with the Insolvency Service and implementing new legislation to tackle economic crime (the ECCT Act).

The new, higher fees came into effect in February 2026. As a result, Companies House generated £254.7 million in income during 2024 to 2025, compared to £220.3 million the previous year.



Of this income, £15.2 million was used specifically to issue penalties and pursue sanctions against companies that do not follow the rules. This work is funded on a cost-recovery basis, meaning the income received from DBT cover the actual costs of the work.

Companies House operating expenditure in 2025 to 2026 totalled £256.1 million (compared to £197.9 million in 2024 to 2025). Delivering identity verification and expanded enforcement activity required a significant increase in resource.

During the year, staff costs increased by £36.1 million to £124.9 million (from £88.8 million in 2024 to 2025). This reflects an increase in headcount to 2,424 at 31 March 2026 (from 1,866 at 31 March 2025), and the fact that staff recruited during 2024 to 2025 were in post for a full year in 2025 to 2026. Where practicable, we used a combination of recruitment and internal redeployment to meet these requirements.

Non-staff operating expenditure increased by £22.1 million from last year to £131.2 million (compared to £109.1 million in 2024 to 2025). The largest increase of £11.7 million was attributed to ECCT Act investigation and enforcement activities undertaken by the Insolvency Service, which since May 2024 are funded via Companies House fees. There was also a £4.7 million increase in non-cash items relating to an increase in Depreciation, Amortisation and Impairments. There was a £4.4 million increase in spend across Customer Contact as we saw the impact of cost increases and additional volumes through implementing identity verification and the associated compliance and enforcement activity. Software as a Service increased by £1.5 million driven by an increase in headcount and implementing additional cyber security measures.

Performance against Departmental Expenditure Limits was £14.1 million under budget (£9.8 million Resource, £4.3 million Capital), mainly due to a planned £7.3 million cross government operational support budget not being used following a decision that identity verification's transition could be delivered with existing staff. The Insolvency Service underspent by £4.1 million due to slower workforce growth and lower legal costs. Companies House also had slower than expected workforce growth, with a budgetary impact of £1.6 million, as well as a number of smaller variances totalling £1.7 million. These underspends were partly offset by £4.9 million lower income caused by delaying a fee change. There was also a capital underspend of £4.3 million. This was mainly because £3 million of planned work was reclassified as resource following a thorough review. We also spent £0.9 million less than planned on our estate after reducing our office footprint and extending our current lease.

## Statement of financial position

Capital AME had an immaterial overspend of £1,000, reflecting an in-year increase in the dilapidation provision for Edinburgh lease with private landlord.

Against the Capital DEL budget there was an underspend of £4.3 million, driven by the extension of the Crown Way lease with a reduced footprint and lower than anticipated capital expenditure within the Transformation Programme following the successful implementation of identity verification for directors and PSCs and the Case Management System.

The statement of financial position as at 31 March 2026, has a total balance of taxpayers' equity of £101.4 million (compared to £90.7 million in 2024 to 2025).

During the year the gross book value of intangible assets has increased by £13.7 million - from £129.8 million to £143.5 million— due to our transformation activity. Of these assets, £10 million is currently held in assets under construction as we approach further legislative launch dates.

Companies House had a total cash balance of £33.3 million as at 31 March 2026 (compared to £37.5 million in 2024 to 2025). This is following £12.1 million of cash drawn down from DBT during the year (compared to £21.2 million in 2024 to 2025), to fund working capital and more specifically transformation at Companies House.

## Late filing penalties

The purpose of the late filing penalty (LFP) scheme is to promote the timely delivery of accounts to Companies House. Penalties were first introduced in 1992 in response to increasing public concern about the number of companies that failed to file their accounts on time or at all. It was thought that the prospect of incurring a penalty would be an incentive for companies to file on time. Expenditure for the LFP scheme activity is not funded through fees but is agreed with government as part of the spending review. Penalties collected in respect of company accounts filed late with Companies House are paid entirely to HM Treasury's Consolidated Fund.

During the year £14.5 million (2024 to 2025: £15.4 million) was provided by DBT to enable the continued pursuit and handling of appeals and debt collection relating to the penalties issued due to the late filing of annual accounts. Further detail on Companies House resourcing is available within the Trust Statement in this report.



## Civil sanctions (financial penalties)

Through the Economic Crime (Transparency and Enforcement) Act 2022 and the ECCT Act 2023, which received Royal Assent on the 15 March 2022 and 26 October 2023, the government has reformed the role and the powers of the Registrar of Companies House to tackle economic crime and improve transparency over corporate entities. This has resulted in the creation of the ROE, increased the scope of criminal offences and introduced a sanctions regime for non-compliance with the reforms. A civil sanction involves the registrar issuing a financial penalty as an alternative to criminal prosecution. This income is now reflected in the Trust Statement alongside the late filing penalties scheme (LFP).

Expenditure for the civil sanction scheme activity is not funded through fees but is agreed with government as part of the spending review. Penalties collected in respect of non-compliance with the new powers and reforms adopted by Companies House are paid entirely to HM Treasury Consolidated Fund.

During the year £0.7 million (2024 to 2025: £0.6 million) was provided by DBT to enable the pursuit and handling of appeals and debt collection relating to the penalties issued due to non-compliance with registering and updating the ROE.

Further detail on Companies House resourcing is available within the Trust Statement in this report.



# Sustainability report

## Mitigating climate change and Greening Government Commitments

The Department for Energy Security & Net Zero (DESNZ) leads work to ensure the UK is on track to meet its net zero target and coordinates net zero objectives across government.

The Department for Environment, Food & Rural Affairs (Defra) is responsible for protecting and improving the environment. It manages major risks and severe threats to the UK, including flooding, air quality, and plant and animal disease outbreak, and oversees the UK's adaptation to climate change.

All government departments must follow environmental principles in their policies and work towards the Greening Government Commitments (GGCs). These commitments require departments to reduce their environmental impact, including cutting energy and water use, lowering travel emissions, and managing waste responsibly.

During the reporting period, the Government Property Agency (GPA) managed the Crown Way Estate, in Cardiff. Companies House continues to work closely with the GPA to reduce environmental impacts and improve performance against the GGCs.

The GPA supports the government's target of reaching net zero by 2050, including a 50% reduction in carbon emissions across the public estate by 2032. To help achieve this, GPA has established a Net Zero Programme covering all buildings in its Government Office Portfolio.

## Estate reduction and sustainable benefits

As part of our commitment to efficient, sustainable operations, Companies House has reviewed its use of space within the GPA estate. Hybrid working and more efficient ways of working have changed our operational needs, so we no longer require the same footprint. By reducing our space, we can better align our estate with workforce needs.



In 2025 to 2026, Companies House occupied 33% of the Cardiff office building, a 65% reduction against the 2017 to 18 baselines. This reduction delivers clear sustainability benefits. A smaller footprint means lower energy use and carbon emissions and uses shared government resources more efficiently, supporting the wider GGCs and responsible public estate management.

Since moving into HMRC Hubs in 2023 and 2024, we have reduced our operations in Edinburgh and Belfast. We have reduced our space in these locations by 71% and 68% respectively against the 2017 to 18 baselines. These modern, energy-efficient, purpose-built, shared workplaces provide better facilities, support our requirements and avoid the overheads of running separate regional offices. This reduction supports our strategy to consolidate, reduce costs and minimise environmental impact.

Overall, these changes have made our use of the government estate more efficient, supported responsible operations, and kept sustainability a focus in how we manage our workspaces. By streamlining our estate, we cut total greenhouse gas emissions (Scopes 1, 2 and 3) by 85% in 2025 to 26 compared with the 2017 to 18 baseline (see GGC metrics and targets below). This exceeds the government's 62% emissions reduction target for 2025.

Over the same period, we cut direct emissions (Scope 1) from our estate and operations by 54%, exceeding the 30% reduction target for 2025.

## Task force on climate-related financial disclosures

We have prepared our climate-related financial disclosures in line with the recommendations of the Task Force on Climate related Financial Disclosures (TCFD) and the Sustainability Reporting Guidance (SRG) for the UK public sector. The disclosures are structured around the four TCFD pillars: governance, strategy, risk management, and metrics and targets.

We have applied the 'comply or explain' principle when assessing compliance with minimum reporting requirements. Where disclosures are not complete due to data limitations (including utility consumption and financial data), for regional offices in Edinburgh and Belfast, this is clearly stated. We will continue to work with landlords for these offices to improve data quality and coverage. Companies House is committed to improving its disclosures to support transparency and continuous improvement.



During the reporting period, we started to integrate climate-related risks and opportunities into our governance and assurance processes. We assess and manage these risks through our corporate risk framework. We are also building our understanding of how material climate-related risks and opportunities could affect our operations, strategy and financial planning in the short, medium and long term. The government's next climate strategy, and Defra's commitments to 2030, will also shape our future work.

We do not currently treat climate as a principal risk because we do not expect environmental factors to affect delivery of our strategic objectives in the short term. However, the Executive Board and the Audit and Risk Assurance Committee oversee emerging climate-related issues.

In 2024, the GPA completed a Climate Adaptation Risk Assessment and Action Plan. It also completed a preliminary climate change adaptation risk assessment using the Office for Government Property Framework. During 2025 to 2026, the GPA reviewed flood risk assessments and collected more site-level data. In 2026, it will continue to roll out the action plan as it defines risks further and identifies any action it needs to take.

We will use this information to strengthen our business continuity plans, especially for flooding and power outages. This keeps our approach consistent with other government property bodies. As part of our risk management process, we assess climate-related risks using our environmental performance data in line with GGC methodology (verified by Defra).

## Companies House environmental policy

We updated and published our [Environmental Policy](#) in February 2026. It sets out our commitment to sustainable development and to reducing the environmental impact of our operations.

The GPA manages environmental operational procedures for the Cardiff office. Although Companies House no longer manages these procedures day to day, our Executive Team continues to prioritise strong environmental management. We use our Environmental Management System (EMS) to monitor performance at Crown Way and to manage environmental risks linked to our activities.

Our overall environmental impact is low, and our EMS objectives align with the GGCs. We will continue to improve efficiency, make further improvements where we can, and manage environmental risks effectively.



## GGC targets and outcomes

We report our progress against the GGC targets every quarter. The following table summarises our performance in 2025 to 2026 against a 2017 to 2018 baseline.

| GGC targets by March 2026                        |                                                           | Outcomes<br>2025/26  |
|--------------------------------------------------|-----------------------------------------------------------|----------------------|
| <b>GHG emissions</b>                             |                                                           |                      |
| Overall emissions—62% reduction                  |                                                           | 85% reduction        |
| Direct emissions—30% reduction                   |                                                           | 53% reduction        |
| ULEV—25% of fleet by 31 Dec 2022                 | No central car or van fleet to report against this target |                      |
| Domestic flights—reduce emissions by 20%         |                                                           | 47% increase         |
| <b>Waste</b>                                     |                                                           |                      |
| Overall waste—20% reduction                      |                                                           | 83% decrease         |
| Landfill—reduce to less than 5% of overall waste |                                                           | 4% of overall waste  |
| Recycling—increase to 70% of overall waste       |                                                           | 79% of overall waste |
| Remove consumer single-use plastic items         |                                                           | 3,400 items procured |
| Food waste                                       |                                                           | 90% reduction        |
| <b>Water</b>                                     |                                                           |                      |
| Usage—reduce by 8%                               |                                                           | 74% reduction        |

## Greenhouse gas emissions

| Emissions                                                                            | 2025/26     |                     |                     |                     |                     | GGC reporting baseline 2017/18 Tonnes CO2e |
|--------------------------------------------------------------------------------------|-------------|---------------------|---------------------|---------------------|---------------------|--------------------------------------------|
|                                                                                      | Tonnes CO2e | 2024/25 Tonnes CO2e | 2023/24 Tonnes CO2e | 2022/23 Tonnes CO2e | 2021/22 Tonnes CO2e |                                            |
| <b>Scope 1</b>                                                                       | 53          | 34                  | 148                 | 66                  | 117                 | 115                                        |
| <b>Scope 2</b>                                                                       | 135         | 172                 | 602                 | 605                 | 723                 | 1,499                                      |
| <b>Scope 3</b> (Transmission loss of electricity)                                    | 14          | 0.1                 | 52                  | 55                  | 64                  | 140                                        |
| <b>Scope 3</b> (Official business travel (rail, taxi, air, underground—all offices)) | 64          | 71                  | 38                  | 26                  | 0.4                 | 78                                         |
| <b>Total GHG emissions</b>                                                           | <b>266</b>  | <b>277</b>          | <b>840</b>          | <b>752</b>          | <b>904</b>          | <b>1,832</b>                               |

Since the 2017 to 2018 baseline, several changes have helped us reduce greenhouse gas emissions:

- reduced office space and hybrid working across our Cardiff, Edinburgh and Belfast offices
- better IT practices and more energy-efficient monitors and laptops
- moving services to the cloud, which has reduced demand on cooling systems in our Cardiff office data centres
- installing LED lighting across 85% of the Cardiff office
- installing modern hydro taps in our kitchens, which provide instant hot water and remove the need to boil kettles

Staff are encouraged to adopt energy-saving practices, including unplugging electrical devices and turning off power off whenever possible.

To reduce business travel, Companies House follows DBT travel policy, which requires staff to travel only when essential.



# Greenhouse gas emissions—financial information

| Greenhouse gas emissions                                                                            |                  |                  |                  |                  |                  | GGC reporting baseline |
|-----------------------------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------------|
|                                                                                                     | 2025/26<br>£'000 | 2024/25<br>£'000 | 2023/24<br>£'000 | 2022/23<br>£'000 | 2021/22<br>£'000 | 2017/18<br>£'000       |
| <b>Scope 1 &amp; 2</b> (Gross expenditure on the purchase of energy (gas, biomass and electricity)) | 250              | 281              | 865              | 687              | 623              | 562                    |
| <b>Scope 3 Official business travel</b> (Rail, hire cars, taxis, air, and fuel)                     | 234              | 172              | 96               | 54               | 1                | 198                    |
| <b>Total expenditure</b> (On reported areas of energy)                                              | <b>484</b>       | <b>453</b>       | <b>961</b>       | <b>741</b>       | <b>624</b>       | <b>760</b>             |

The two tables above, highlight data for Scope 1, 2 and 3 (transmission loss of electricity) data for the Cardiff Office only. Scope 3 (official business travel) covers Cardiff, Edinburgh and Belfast.

## Energy usage

| Energy use                         |                    |                    |                    |                    |                    | GGC reporting baseline |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------------|
|                                    | 2025/26<br>kWh'000 | 2024/25<br>kWh'000 | 2023/24<br>kWh'000 | 2022/23<br>kWh'000 | 2021/22<br>kWh'000 | 2017/18<br>kWh'000     |
| <b>Gas (Cardiff only)</b>          | 266                | 131                | 785                | 330                | 582                | 530                    |
| <b>Electricity: renewable</b>      | -                  | -                  | -                  | -                  | -                  | -                      |
| <b>Electricity: mains standard</b> | 773                | 839                | 2,935              | 3,129              | 3,404              | 4,263                  |
| <b>Total related energy use</b>    | <b>1,039</b>       | <b>970</b>         | <b>3,720</b>       | <b>3,459</b>       | <b>3,986</b>       | <b>4,793</b>           |

# Travel emissions (all offices)

| Travel                                         | 2025/26<br>CO2e | 2024/25<br>CO2e | 2023/24<br>CO2e | 2022/23<br>CO2e | 2021/22<br>CO2e | GGC<br>reporting<br>baseline<br>2017/18<br>CO2e |
|------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------------------------|
| <b>International travel</b>                    |                 |                 |                 |                 |                 |                                                 |
| Long-haul air travel                           | 2.44            | 14.42           | -               | 16              | -               | 12.46                                           |
| Short-haul air travel                          | 4.91            | 6.03            | 6.89            | 1.42            | -               | 6.22                                            |
| <b>Domestic travel</b>                         |                 |                 |                 |                 |                 |                                                 |
| Domestic air travel                            | 42.50           | 36.13           | 24.19           | 5.70            | 0.21            | 28.82                                           |
| Rail                                           | 12.61           | 32.81           | 5.29            | 2.05            | 0.18            | 11.40                                           |
| Bus/Coach                                      | -               | -               | -               | -               | -               | -                                               |
| Taxi                                           | 1.73            | 1.53            | 1.11            | 0.42            | 0.05            | 18.69                                           |
| Private vehicle (staff owned or hire vehicles) | 4.22            | 3.75            | 1.15            | 0.89            | 0.15            | 5.22                                            |
| <b>Total emissions from travel</b>             | <b>68.41</b>    | <b>94.67</b>    | <b>38.63</b>    | <b>26.48</b>    | <b>0.59</b>     | <b>82.81</b>                                    |

| Air travel                      | 2025/26<br>Km  | 2024/25<br>Km  | 2023/24<br>Km  | 2022/23<br>Km  | 2021/22<br>Km | GGC<br>reporting<br>baseline<br>2017/18<br>Km |
|---------------------------------|----------------|----------------|----------------|----------------|---------------|-----------------------------------------------|
| Domestic travel                 | 186,629        | 133,314        | 89,254         | 23,196         | 865           | 166,797                                       |
| Short haul                      | 38,716         | 32,616         | 37,260         | 9,266          | -             | 32,294                                        |
| Long haul                       | 16,121         | 55,466         | -              | 82,845         | -             | 55,014                                        |
| <b>Total distance travelled</b> | <b>241,466</b> | <b>221,396</b> | <b>126,514</b> | <b>115,307</b> | <b>865</b>    | <b>254,105</b>                                |

## Waste (for Cardiff office only)

| Minimising waste and promoting resource efficiency | 2025/26<br>Tonnes | 2024/25<br>Tonnes | 2023/24<br>Tonnes | 2022/23<br>Tonnes | 2021/22<br>Tonnes | GGC reporting baseline<br>2017/18<br>Tonnes |
|----------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------------------------------|
| Recycled/reused                                    | 35.9              | 426.2             | 87.5              | 105.4             | 105.9             | 151.9                                       |
| ICT waste                                          | 3.4               | 6.5               | 5.4               | 7.3               | -                 | 2.5                                         |
| Composted/food waste                               | 1.0               | 0.8               | 3.1               | 4.2               | 4.3               | 10.8                                        |
| Incinerated                                        | 6.0               | 8.0               | 36.2              | 35.4              | 31.4              | 49                                          |
| Waste to landfill                                  | 1.8               | -                 | -                 | -                 | -                 | 28.8                                        |
| Total waste arising                                | 48.1              | 441.5             | 132.2             | 152.3             | 141.6             | 243.0                                       |

| Financial Implications | 2025/26<br>£'000 | 2024/25<br>£'000 | 2023/24<br>£'000 | 2022/23<br>£'000 | 2021/22<br>£'000 | GGC reporting baseline<br>2017/18<br>£'000 |
|------------------------|------------------|------------------|------------------|------------------|------------------|--------------------------------------------|
| Total Disposal Costs   | 19               | 17               | 55               | 50               | 42               | 10                                         |

During the year, we shared guidance on responsible waste management and how to apply the waste hierarchy- reduce, reuse and recycle. This helps people adopt more sustainable behaviours and reduces our environmental impact.

We encourage colleagues to use the correct bins and avoid contamination. Our offices provide clearly labelled collection points to help everyone dispose of waste correctly.

We only hold waste usage data for the Cardiff office. Landlords mainly manage waste services for the Edinburgh and Belfast offices through service charges, which limits the data available.

## Food waste

We reduced food waste from 11 tonnes in the 2017 to 2018 (baseline year) to less than 1 tonne in 2025 to 2026, which was sent for recovery. We achieved this mainly by reducing office space and adopting hybrid working. In our Cardiff office, we also have an arrangement with Cardiff City Council to reuse all food waste from the staff restaurant as animal feed. Since 1 April 2024, the GPA's catering supplier, Gather and Gather, has managed the staff restaurant in the Cardiff office.

## Removing consumer single-use plastic (CSUP)

We continue to monitor the consumer single-use plastics bought for the staff restaurant. During the reporting period, 3,400 single-use plastic items were bought, up from 2,694 in the previous year. This reflects higher staff footfall on site.

The staff restaurant's customer loyalty scheme continues to encourage people to buy reusable items, such as cups and water bottles, which helps reduce the number of single-use plastic items we provide.

## Water usage (for Cardiff office only)

| Reducing our water use by at least 8% from a 2017 to 2018 baseline | 2025/26<br>m3 | 2024/25<br>m3 | 2023/24<br>m3 | 2022/23<br>m3 | 2021/22<br>m3 | GGC reporting baseline<br>2017/18<br>m3 |
|--------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------------------------------------|
| Water consumption                                                  | 2,364         | 2,123         | 6,499         | 5,843         | 3,485         | 9,229                                   |

| Financial Implications | 2025/26<br>£'000 | 2024/25<br>£'000 | 2023/24<br>£'000 | 2022/23<br>£'000 | 2021/22<br>£'000 | GGC reporting baseline<br>2017/18<br>£'000 |
|------------------------|------------------|------------------|------------------|------------------|------------------|--------------------------------------------|
| Water Supply Costs     | 12               | 8                | 30               | 25               | 17               | 34                                         |

As we continue to embed hybrid working, we encourage colleagues who attend our Cardiff office to use only the water they need. Most kitchens in the areas that Companies House occupies have modern energy-saving hydro taps, which provide the amount of instant hot or cold water people need.

In recent years, we have fully replaced the pipework that serves our Cardiff office. This has significantly reduced the risk of leaks providing both financial and environmental benefits.

Water usage data is available for the Cardiff office only. Limited data is available for the Edinburgh and Belfast offices, as this is primarily managed through service charges paid to landlords for each location.



## Nature recovery: making space for plants and wildlife

The GPA leads on sustainability across its government office portfolio and promotes biodiversity across the estate. It applies high procurement standards to minimise environmental impact. Its Nature Recovery and Biodiversity Annex set out the key actions needed to maintain compliance and implement new legislation and related policies.

In spring, we introduced the Vegetable Garden Project at our Cardiff office. It gives colleagues a shared activity and encourages them to grow vegetables and plants. The project also supports staff as part of our cost-of-living work.

## Procuring sustainable products and services

As an executive agency of the Department for Business and Trade (DBT), Companies House must make sure its activities comply with government commercial policy, DBT commercial policy, Cabinet Office commercial spend controls, the Government Commercial Functional Standards, the Public Contracts Regulations 2015 and the Procurement Act 2023.

Our commercial function manages commercial contracts with budget holders, business contract owners, commercial procedures and project controls. This also includes Social Value requirements in all procurements and contracts, in line with the relevant regulations, Public Contracts Regulations (PCR2015) or the Procurement Act (PA2023). For contracts over £5 million (excluding VAT) under PCR2015, suppliers must provide a Carbon Reduction Plan.

Social Value evaluation criteria are set in line, with the applicable legislation, and with consideration of the type of goods or services being procured. Examples include recycling initiatives, tree planting, reducing carbon emissions, using renewable energy, and electric vehicle use.

Our Commercial Delivery and Contract Management teams work with contract owners to set Social Value KPIs, which are monitored and managed throughout the life of the contract.

Our Commercial Policy sets out the commercial delegation, governance, spend thresholds, procedures and approvals that we must follow to meet our obligations under public procurement law.



## Policy statement

We are committed to responsible, sustainable procurement in line with the UK government's National Procurement Policy Statement (NPPS). As section 13 of the Procurement Act 2023 requires, we have regard to the NPPS and apply its strategic priorities across our commercial lifecycle.

We support the government's mission-led objectives by making sure our procurements deliver value for money, promote social and economic value, and support national sustainability commitments. This includes considering environmental impacts in sourcing decisions, reducing waste, and supporting the transition to net zero by cutting greenhouse gas emissions and using green technologies.

Our processes focus on early market engagement, transparency and collaboration with suppliers to encourage innovation and high environmental standards. We also work with small and medium-sized enterprises (SMEs) and voluntary, community and social enterprises (VCSEs) to widen participation and support local economic growth, in line with NPPS expectations for public sector bodies.

In line with the statutory requirements of the NPPS, we assess each procurement for opportunities to:

- embed sustainability outcomes where they are proportionate and relevant
- reduce environmental impact across the contract lifecycle
- support clean energy objectives and protect biodiversity
- deliver long-term public value, not just lower cost

Through these measures, we make sure our procurement of goods, services and works supports the government's wider economic, social and environmental goals while maintaining accountability, fairness and good public spending practice.



## Reducing environmental impacts from information communication technology (ICT) and digital

During the reporting year, we completed the transfer of all live public digital services to the cloud. Our network infrastructure, which allows staff to access our data centres, must remain on site while Companies House stays in Crown Way. However, we continue to reduce the amount of hardware we use and the energy it needs wherever possible.

We continue to monitor and measure reductions in electricity use, power and cooling in our on-site data centres, and we report this through the GGC data. We are also working with the GPA to reduce our footprint further. In early 2026 to 2027, we plan to carry out a feasibility study on moving our remaining infrastructure into a much smaller server room, which would reduce cooling demand and the related carbon footprint.

We work closely with our cloud suppliers to understand the carbon impact of our cloud use. Our IT Services team has focused on reducing avoidable cloud consumption through rightsizing, targeted decommissioning, better utilisation and stronger reporting. This helps us identify waste and reduce energy use more effectively. Where appropriate, we also move suitable services to more efficient cloud patterns, such as serverless services and modern instance types.

As technology changes, we make sure all surplus IT equipment is disposed of sustainably. This includes laptops, PCs and decommissioned equipment from our data centres that has reached the end of its useful life. We have a contract with a specialist supplier to manage IT equipment disposal. It operates a zero-landfill policy, reusing or repurposing equipment where possible and recycling components when reuse is not feasible. For security, we make sure all data is securely destroyed and certified before collection.

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales  
6 July 2026



# 02

## Accountability report





# Purpose of the accountability report

The accountability report sets out how Companies House meets the key accountability requirement to Parliament. It comprises:

- the corporate governance report
- remuneration and staff report
- parliamentary accountability and audit report



# Corporate governance report

## Statement of Accounting Officer's responsibilities

Under the Government Resources Accounts Act 2000, HM Treasury has directed Companies House to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Companies House and of its income and expenditure, statement of financial position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- confirm that the annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

HM Treasury has appointed the Chief Executive of Companies House as Accounting Officer of Companies House. The responsibilities of an accounting officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Companies House's assets, are set out in Managing Public Money published by HM Treasury.



### **Accounting Officer's confirmation**

As Accounting Officer, I have taken all the steps I ought to have taken, to make myself aware of any relevant audit information and to establish that the National Audit Office auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditor is unaware. I also confirm that this annual report and accounts is fair, balanced and understandable

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



## Introduction from Andy King

I have been appointed as the Accounting Officer and Registrar of Companies for England and Wales, and I also serve as Chief Executive of Companies House. In my capacity as Accounting Officer, I am responsible for ensuring the proper, effective and efficient use of public funds and for maintaining a robust system of governance, risk management and internal control.

I am accountable to the Minister for the performance of Companies House in accordance with the Framework Document, which sets out the governance and accountability arrangements between Companies House and the Department for Business and Trade (DBT). Regular meetings are held with the Minister to discuss current issues and organisational performance. These meetings are attended, as appropriate, by the Non-Executive Chair, Chief Executive, and the departmental sponsor.

As Accounting Officer, I am required by HM Treasury's Managing Public Money and the Government Financial Reporting Manual to provide assurance on how I have discharged my responsibilities for managing and controlling the resources entrusted to me during the year. The Governance Statement sets out the framework within which Companies House operates, describing the organisation's governance arrangements, risk management processes and system of internal control. It provides insight into how the organisation manages its resources and supports informed decision-making in relation to progress against our business plan.

I have ensured that the governance framework at Companies House is designed to comply with the principles of good practice set out in HM Treasury's Corporate Governance in Central Government Departments: Code of Good Practice (2017) and is kept under regular review to ensure it remains effective and proportionate.

In addition, I was appointed as the Regulator of Community Interest Companies (CIC) in February 2026. The CIC Regulator is responsible for determining whether organisations are eligible to become, or continue to operate as, community interest companies; for investigating complaints; for taking enforcement action where necessary; and for providing guidance and assistance to support the establishment and operation of CICs. A separate Annual Report is produced in respect of the activities of the CIC Regulator.

In March 2025, the Secretary of State signalled his intention to fully integrate the regulation of Community Interest Companies within Companies House, in line with the Government's objective to reduce the number of regulators. Work is ongoing with the DBT to determine how this integration will operate in practice.



## Directors' report

This report covers the period from 1 April 2025 to 31 March 2026. It sets out details of Companies House's senior leaders during the year, and records relevant appointments and departures during the reporting period.

### Our Chief Executive and Registrar



Louise Smyth joined Companies House in September 2017.

Before this, she held a number of senior positions at the Intellectual Property Office (IPO), including Director of IT, and Director of People, Places and Services. Louise went on to become Chief Operating Officer in 2014, responsible for Corporate Services including IT, People, Places, Services and Finance.

Louise was also appointed Regulator of Community Interest Companies, and President of the Corporate Registers Forum. The forum is an international association of corporate registries.



Before joining Companies House, Andy served as Chief Operating Officer at Defence Business Services (DBS) within the Ministry of Defence (MOD). He was also Head of the operational delivery profession.

He has held a number of senior roles across government, including the Rural Payments Agency (Defra), the Environment Agency, and the Driver and Vehicle Standards Agency.

In February 2026, Andy was appointed Regulator of Community Interest Companies.



## Our Chair

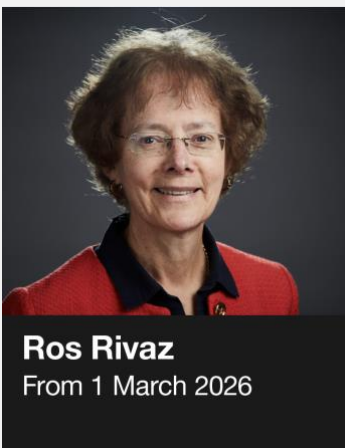


**John Clarke**  
Until 28 February 2026

John is a leader in strategy, innovation and delivering large scale, digital enabled transformations. His experience includes global business services, digital, data, cyber operations, and people leadership.

John has worked extensively overseas. He spent six years in Finland, as a Senior Vice President at Nokia and Global CIO. He was the Global Chief Technology Officer at Tesco and the Interim Chief Information Officer at Primark and Morrisons. He is a former Partner at EY, a highly experienced non-executive director (Department for Work and Pensions, and Ordnance Survey), and Chair (UK Shared Business Services Ltd, and Defence Business Services).

John advises and mentors leaders on managing change and disruption, and on adopting technologies including Artificial Intelligence (AI).



**Ros Rivaz**  
From 1 March 2026

Ros has extensive executive and non-executive experience in highly regulated, high-hazard environments across the UK and internationally.

Her executive career included senior roles at ExxonMobil, Tate & Lyle, ICI, Diageo and Smith & Nephew, where she served as Global Chief Operating Officer from 2011 to 2014, leading global transformation across supply chain, manufacturing and engineering. She was responsible for health and safety, IT and cyber security.

Ros currently holds a range of non-executive, senior independent director and committee chair roles. These include Defence Equipment and Support, Computacenter plc, Victrex plc and Aperam SA. She was also Chair of the Nuclear Decommissioning Authority

## Executive directors

| Executive director                                                             | Date                                 |
|--------------------------------------------------------------------------------|--------------------------------------|
| <b>Luisa Fulci</b><br>Director of Transformation and Business Change           | From 15 May 2025                     |
| <b>Charlie Boundy</b><br>Chief Data Officer                                    | Served throughout                    |
| <b>Jill Callan</b><br>Director of Customer Delivery                            | Served throughout                    |
| <b>Stuart Drake</b><br>Director of Portfolio, Change and Implementation        | From 1 August 2025                   |
| <b>Clare Finn</b><br>Director of Finance and Commercial                        | From 2 March 2026                    |
| <b>Rohan Gye</b><br>Director of Digital and Technology                         | Served throughout                    |
| <b>Donna Hill</b><br>Director of People and Places                             | From 1 April 2025                    |
| <b>Amy Harcombe (Wookey)</b><br>Director of Services                           | From 16 June 2025 to 31 October 2025 |
| <b>John Hewson</b><br>Director of Services                                     | From 3 November 2025                 |
| <b>Joel Glover</b><br>Interim Director of Finance and Commercial               | 18 August 2025 – 15 September 2025   |
| <b>Grace Horton</b><br>Interim Director of Finance and Commercial              | 13 October 2025 – 6 March 2026       |
| <b>Robbie McNeil</b><br>Director of Transformation Delivery                    | Until 31 July 2025                   |
| <b>Martin Swain</b><br>Director of Intelligence and Law Enforcement Engagement | Served throughout                    |
| <b>Michelle Wall</b><br>Director of Finance and Commercial                     | Until 11 August 2025                 |
| <b>Sarah Whitehead</b><br>Director of Strategy, Policy and Communications      | Served throughout                    |

During the year, Companies House revised its organisational structure to support delivery of the Companies House strategy. This included the appointment of new Executive Directors with specific responsibility for transformation; portfolio change and service delivery.

## Executive directors



**Luisa Fulci**



**Charlie Boundy**



**Donna Hill**



**Clare Finn**



**John Hewson**



**Robbie McNeil**



**Stuart Drake**



**Sarah Whitehead**



**Michelle Wall**



**Martin Swain**



**Jill Callan**



**Rohan Gye**

Further information on the organisation's senior leadership, including biographies, is available at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)



## Non-executive directors

During the year, Companies House experienced changes to the composition of its Board, including the appointment of two new Non-Executive Directors and new representatives from DBT. There were several departures during the year, while a number of members served throughout the reporting period, providing continuity of experience and oversight.

| Non-executive directors | Date              |
|-------------------------|-------------------|
| Emir Feisal             | Served throughout |
| Tim Burt                | Served throughout |
| Carol Shutkever         | Served throughout |
| Martin Spencer          | Until 29 May 2025 |
| Jessica Rusu            | From 1 May 2025   |
| Chris Loake             | From 1 May 2025   |

## DBT sponsor

| DBT sponsor | Date                                                             |
|-------------|------------------------------------------------------------------|
| Eoin Parker | Until 22 April 2025                                              |
| Chris Carr  | From 14 July 2025 until 31 December 2025                         |
| Nis Bandara | From 23 April to 13 July 2025<br>From 1 January to 31 March 2026 |



## Non-executive directors



**Tim Burt**



**Emir Feisal (Chair of ARAC)**



**Carol Shutkever**



**Martin Spencer**



**Jessica Rusu**



**Chris Loake**

## DBT sponsor



**Eoin Parker**



**Chris Carr**



**Nis Bandara**



## **Directors' statement**

In respect of each of these persons, at the time this report is approved:

- so far as they are aware there is no relevant audit information of which the auditor is unaware
- they have taken all the steps they ought to have taken in their role, in order to make themselves aware of any relevant audit information, and to establish that the auditor is aware of that information



# Governance statement

The governance statement sets out how Companies House was governed by management during the year. It provides an outline of our governance structure, and a summary of the board and committee activities.

## Relationship with the Department for Business and Trade

Following a review of our sector classification, from April 2020 we were reclassified as part of central government, relinquishing our trading-fund status. This had no impact on our status as an executive agency.

We are currently an executive agency of the Department for Business and Trade (DBT), following wider machinery of government changes announced in February 2023. We work closely with officials and the DBT Sponsorship Team to ensure our internal controls continue to align with evolving requirements.

## Governance framework and structure

Companies House is governed by an Executive Committee and the Main Board. The Main Board is advisory and is chaired by an independent Non-Executive Board member. The Main Board provides strategic oversight and direction. It is supported by the Audit and Risk Assurance Committee and the Remuneration, Performance and People Committee.

The Executive Committee is responsible for the day-to-day leadership and management of the organisation. It ensures delivery of Companies House's commitments to government and the public, as set out in the annual Business Plan.

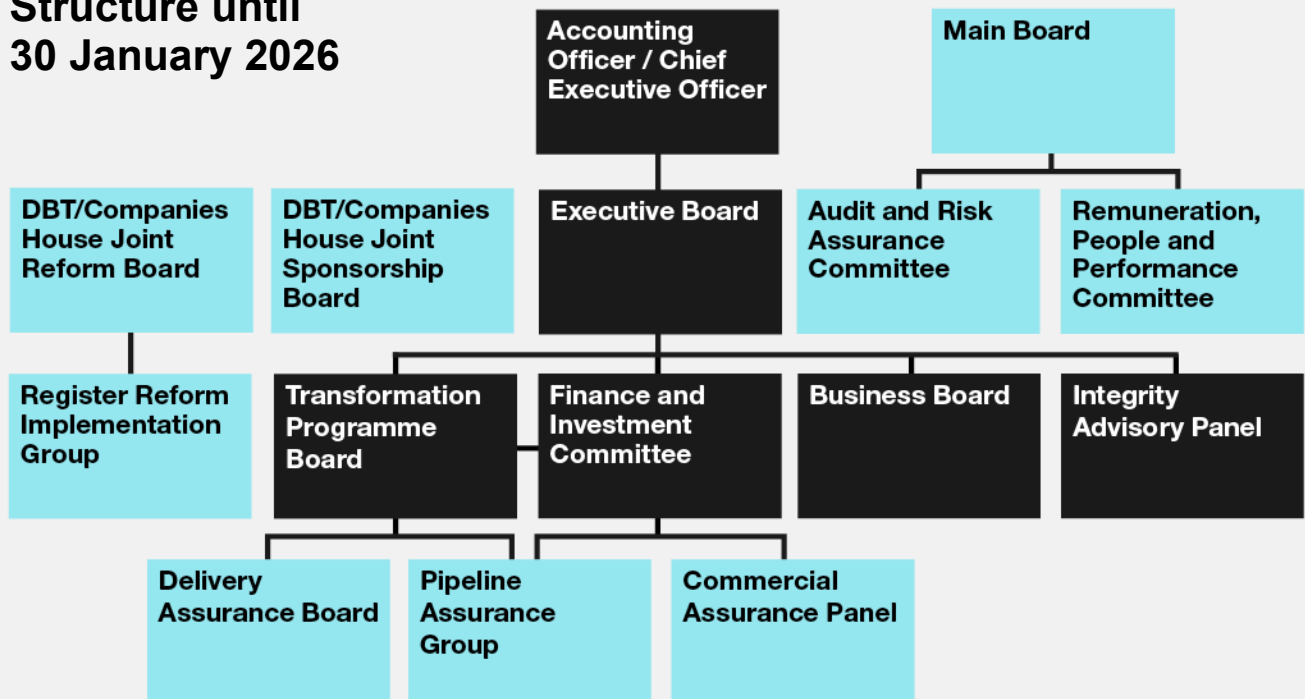
During 2025 to 26, Companies House undertook an internal review of its governance framework to ensure it remained fit for purpose, proportionate and aligned with the organisation's strategic priorities and operating environment. As a result, changes were made to clarify accountabilities, strengthen executive oversight, and improve the management of cross-cutting risks and delivery activity.

The remit and operation of the four refreshed Executive Committee sub-committees are described in more detail on the next pages.

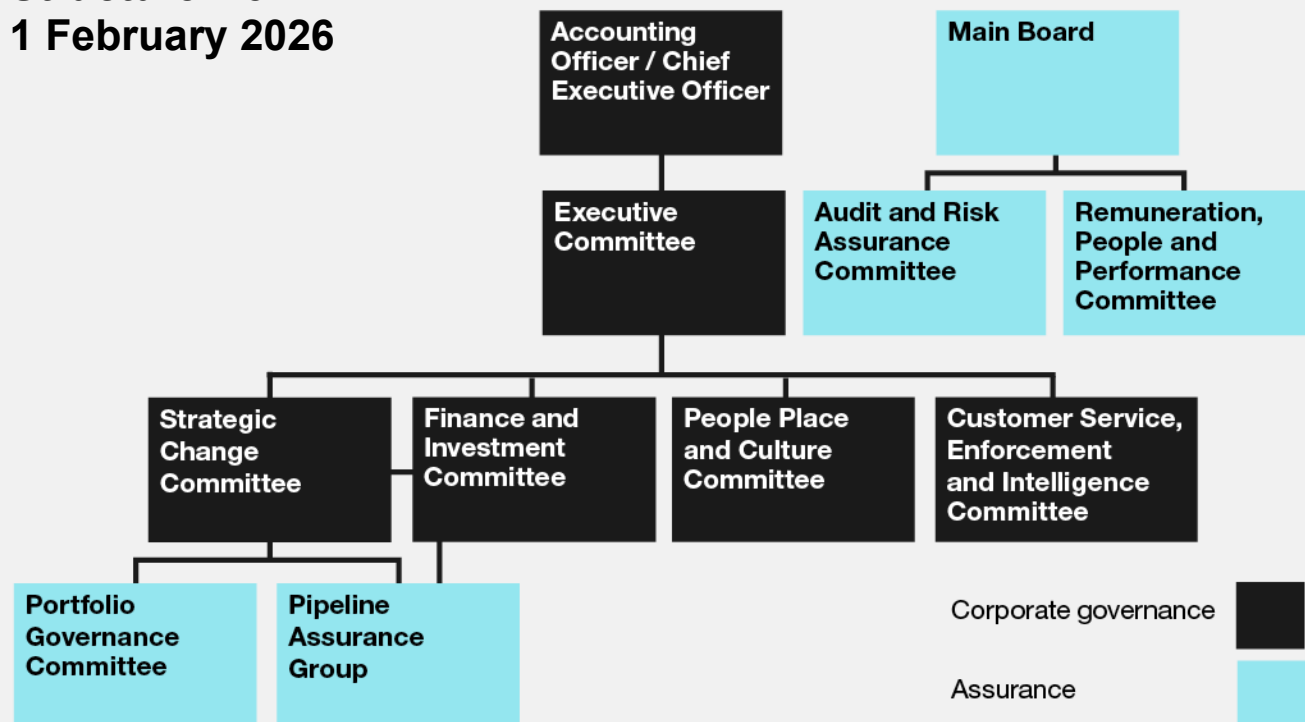
The diagrams on the next page illustrate the governance structure before and after the changes implemented during the year.



## Structure until 30 January 2026



## Structure from 1 February 2026





## Main Board

The Main Board provides strategic advice, challenge and oversight to the Chief Executive and Executive Directors.

It is chaired by the Chair of Companies House and comprises five Executive Directors, including the Chief Executive, six Non-Executive Board Members, including the Chair, and a Non-Executive sponsor representative from DBT. Other members of the Executive team and colleagues attend meetings by invitation.

The Chair and the Board ensure that the Board's composition reflects an appropriate balance of skills, experience and expertise to support effective decision making and constructive challenge.

During the year, the Main Board:

- provided strategic oversight during a period of significant legislative, operational and organisational change
- monitored performance against the 2020 to 2025 Strategy, including progress against public targets
- endorsed the Companies House Strategy 2025 to 2030
- endorsed the 2025 to 2026 Business Plan and associated public targets
- reviewed and endorsed the 2024 to 2025 Annual Report and Accounts
- scrutinised financial performance
- received updates on the development of a new Enforcement Framework to strengthen compliance and enforcement activity
- considered organisational performance and data maturity, including quarterly performance reporting and progress towards a more coherent corporate performance framework
- received assurance on risk management, cyber security and audit findings through reports from the Audit and Risk Assurance Committee

A substantial proportion of Board time was dedicated to providing assurance on the delivery of reforms arising from the Economic Crime and Corporate Transparency Act (ECCT Act), particularly identity verification and Accounts Reform. The Board received regular updates on organisational readiness, customer impact and operational performance, including verification rates, system performance and customer support arrangements.

Board members are required to uphold the Seven Principles of Public Life and comply with the Code of Conduct for Board Members of Public Bodies (2019).

## Board effectiveness

The Main Board continues to review its performance annually. During the year, it assessed its effectiveness and agreed an action plan to address areas identified for improvement. An independent Board effectiveness review was previously undertaken in autumn 2022, with a further external review scheduled for 2026 to 2027.

## Board attendance

| Board member                                                              | Number of meetings (6) |
|---------------------------------------------------------------------------|------------------------|
| <b>John Clarke</b> (Chair)                                                | Chair (5 of 5)         |
| <b>Ros Rivaz</b> (Chair)                                                  | Chair (0 of 1)         |
| <b>Louise Smyth</b> (CEO, Registrar)                                      | Member (3 of 3)        |
| <b>Andy King</b> (CEO, Registrar)                                         | Member (4 of 4)        |
| <b>Chris Carr</b> (DBT Sponsor)                                           | Member (3 of 3)        |
| <b>Nis Bandara</b> (DBT Sponsor)                                          | Sponsor (2 of 2)       |
| <b>Tim Burt</b> (NEBM)                                                    | Member (6 of 6)        |
| <b>Emir Feisal</b> (NEBM, Chair of ARAC)                                  | Member (6 of 6)        |
| <b>Carol Shutkever</b> (NEBM)                                             | Member (6 of 6)        |
| <b>Chris Loake</b> (NEBM)                                                 | Member (6 of 6)        |
| <b>Jessica Rusu</b> (NEBM)                                                | Member (5 of 6)        |
| <b>Michelle Wall</b> (Director of Finance and Commercial)                 | Member (2 of 2)        |
| <b>Grace Horton</b> (Interim Director of Finance and Commercial)          | Member (1 of 2)        |
| <b>Clare Finn</b> (Director of Finance and Commercial)                    | Member (1 of 1)        |
| <b>Martin Swain</b> (Director of Intelligence and Enforcement Engagement) | Member (4 of 4)        |
| <b>Sarah Whitehead</b> (Director of Strategy, Policy and Communications)  | Member (5 of 6)        |
| <b>Luisa Fulci</b> (Director of Transformation and Business Change)       | Member (5 of 5)        |
| <b>Jill Callan</b> (Director of Customer Delivery)                        | Member (3 of 3)        |

## Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee is a sub-committee of Main Board, chaired by a Non-Executive Director. The Committee comprises three Non-Executive Director members and the Chief Executive. Other Companies House Executive Directors and senior managers attend by invitation. Representatives from external audit attend all meetings and have access to all financial and other information.

The role of the Audit and Risk Assurance Committee is to provide independent guidance, challenge and assurance to the Accounting Officer on matters relating to audit, corporate governance, and the effective management of risk.

To support this role during the year, the Audit and Risk Assurance Committee:

- reviewed the organisation's strategic risk profile through regular risk updates
- considered findings from the Government Internal Audit Agency (GIAA) and monitored management action to address recommendations
- reviewed the Annual Report and Accounts, including significant accounting judgements and disclosures, and considered value for money reports from the external auditor
- received assurance and held focused discussions on key areas, including cyber security and disaster recovery
- received quarterly reports on counter fraud and error including the Consolidated Data Return (CDR) submitted to Cabinet Office via the Department for Business and Trade
- reviewed and endorsed the organisation's approach to assurance mapping to strengthen visibility of risks, controls and sources of assurance
- undertook an internal effectiveness review, using the National Audit Office effectiveness tool and guidance

### Committee attendance

| Board member                                                     | Number of meetings (6) |
|------------------------------------------------------------------|------------------------|
| <b>Emir Feisal</b> (NEBM, Chair of ARAC)                         | Chair (6 of 6)         |
| <b>Louise Smyth</b> (CEO, Registrar)                             | Member (3 of 3)        |
| <b>Andy King</b> (CEO, Registrar)                                | Member (3 of 3)        |
| <b>Tim Burt</b> (NEBM)                                           | Member (5 of 6)        |
| <b>Jessica Rusu</b> (NEBM)                                       | Member (2 of 4)        |
| <b>Michelle Wall</b> (Director of Finance and Commercial)        | Attendee (2 of 2)      |
| <b>Grace Horton</b> (Interim Director of Finance and Commercial) | Attendee (2 of 2)      |
| <b>Clare Finn</b> (Director of Finance and Commercial)           | Attendee (1 of 1)      |

## Remuneration, Performance and People Committee

The Remuneration, Performance and People Committee is a sub-committee of the Main Board and is chaired by a Non-Executive Director. Formerly the Remuneration Committee, its remit and membership were broadened in autumn 2024 to include wider change and people issues.

The Committee comprises three Non-Executive Director members, two Executive Directors and the Chief Executive. Other Companies House Executive Directors and senior managers attend by invitation.

During the year, the committee:

- following a period of negotiation, endorsed the Executive's pay and reward recommendations and staff award scheme recommendations
- considered and discussed the gender pay gap analysis
- discussed matters of equality, diversity, and inclusion

### Committee attendance

| Board member                                       | Number of meetings (2) |
|----------------------------------------------------|------------------------|
| <b>John Clarke</b> (Chair)                         | Chair (2 of 2)         |
| <b>Louise Smyth</b> (CEO, Registrar)               | Member (1 of 1)        |
| <b>Andy King</b> (CEO, Registrar)                  | Member (1 of 1)        |
| <b>Chris Carr</b> (DBT Sponsor)                    | Member (1 of 2)        |
| <b>Carol Shutkever</b> (NEBM)                      | Member (2 of 2)        |
| <b>Donna Hill</b> (Director of People and Places)  | Member (2 of 2)        |
| <b>Jill Callan</b> (Director of Customer Delivery) | Member (1 of 1)        |

## Executive Committee

The Executive Committee, comprising the Executive Directors, oversees the day-to-day management of the organisation. This includes monitoring performance against the business plan, overseeing the change and transformation portfolio, ensuring compliance with governance best practice, and the managing strategic risks.

The Committee is supported by sub-committees that provide focused oversight of key operational and enabling functions. Prior to February 2026, these sub-committees were:

- Business Board, chaired by the Director of Operations, which oversaw customer interaction and delivery, capacity planning, service performance, and operational risks
- Integrity Advisory Panel, chaired by the Compliance and Enforcement Service Owner, which supported delivery of the Registrar's statutory objectives
- Transformation Programme Board, chaired by the Director of Transformation Delivery, which provided oversight of the organisation's transformation portfolio
- Finance and Investment Committee, chaired by the Director of Finance and Commercial, which oversaw financial planning and stewardship of revenue and capital investment



Following an internal review of the governance framework, the Executive Committee sub-committee structure was refreshed to strengthen accountability, improve oversight of cross-cutting issues and better align governance with strategic priorities. The revised structure comprises the:

- Customer Service, Enforcement and Intelligence Committee, chaired by the Director of Strategy, Policy and Communications, which oversees customer services, enforcement and intelligence, in support of register integrity and an improved customer experience
- Strategic Change Committee, chaired by the Director of Business Change and Transformation, which provides oversight of the organisation's change and transformation portfolio, including strategic alignment, interdependencies and risks
- Finance and Investment Committee, chaired by the Director of Finance and Commercial, which oversees financial planning, the stewardship of revenue and capital investment, and assurance on financial performance
- People, Place and Culture Committee, chaired by the Director of People and Place, which oversees people strategy, culture, organisational capability, workforce policies and the estate

## Risk management framework

Companies House has continued to proactively manage risk across the organisation at all levels during the reporting period, in line with its established risk management framework. The organisation has applied the principles set out in HM Treasury's Orange Book: Management of Risk – Principles and Concepts (2023) in the design and operation of its enterprise risk management arrangements.

The Enterprise Risk Management Framework was reviewed and refreshed during 2025 to 2026 to ensure continued alignment with Orange Book principles, with no material departures identified. The framework sets out the mechanisms for identifying, assessing, responding to and monitoring risks to the achievement of strategic and operational objectives.

Building on the foundations established in previous years, including the strengthening of second-line arrangements, we have continued to invest in risk management resource and capability. During the year, the Risk Oversight and Corporate Assurance (ROCA) function was expanded and a risk and assurance business partnering model was established. This embeds specialist risk and assurance expertise within delivery and operational areas. These changes have enhanced the quality and consistency of risk identification, analysis and escalation, while supporting risk-informed decision-making.

In parallel, we have procured and implemented new enterprise risk management software to support a more integrated and data driven approach to risk management. This is enabling improved visibility of risks across the organisation, clearer audit trails and more

timely and consistent reporting to the Executive Committee, Audit and Risk Assurance Committee (ARAC) and Main Board. Over time, this will support better use of risk data to inform behaviours, prioritisation and strategic decision-making.

Engagement and ownership of risk continue to strengthen across the business, with risks actively managed at strategic, directorate, and operational levels. This inclusive approach ensures emerging risks are identified early, controls are challenged appropriately and accountability for risk management remains clear.

During the period, Companies House continued to focus on its principal risks. These are drawn from and informed by the strategic risks managed by the executive team.

Principal risks include:

- Economic crime, register integrity and public trust: The risk that Companies House is unable to prevent and respond effectively to misuse of the register and evolving economic crime threats at the scale and pace required. This could impact confidence in the integrity of UK company information and wider public trust.
- Data, digital and artificial intelligence (AI) enabled resilience: The risk that Companies House is unable to maintain resilient, secure and trusted digital and data capabilities. This includes the effective adoption of emerging technologies such as AI, which could impact service resilience and delivery of strategic transformation.
- Financial sustainability and strategic affordability: The risk that financial pressures, economic conditions or affordability constraints impact Companies House's ability to sustainably deliver core services, legislative reform and long-term strategic transformation.
- Legislative reform and strategic change: The risk that the scale, pace and complexity of legislative reform and strategic transformation activity impact Companies House's ability to deliver intended policy, service and organisational outcomes effectively.
- Organisational capability, culture and service effectiveness: The risk that Companies House is unable to sustain the organisational capability, leadership capacity and culture required to support strategic transformation and deliver effective customer focused services.

The principal risks set out above are drawn from, and informed by, the strategic risks managed by the executive team. We continue to proactively monitor these, alongside all other identified risks across the entire risk landscape. We implement appropriate mitigation strategies and regularly review the effectiveness of our controls.

Our commitment to continuous improvement in risk management, supported by the Executive Committee, Audit and Risk Assurance Committee, ROCA and our Community of Practice, underpins our ability to deliver our strategic objectives and the intended outcomes of our overarching strategy.



## Effectiveness of system of internal controls

The system of internal controls within Companies House is designed to provide proportionate assurance, with oversight focused on areas of higher risk, complexity, or public interest. A combination of preventative and detective controls operates across the organisation, supported by targeted assurance activity where risk exposure is greatest or where significant change is being delivered.

During the year, a defined approach to assurance mapping was developed and will be undertaken on a prioritised basis. This approach utilises a blended model, combining controls-based assurance mapping, to assess the design and operating effectiveness of key controls, with process-based assurance mapping, to understand end-to-end delivery risks and dependencies. This supports the business by improving clarity over where assurance is already available, identifying gaps or duplication, strengthening accountability for controls and enabling more proportionate and targeted assurance activity.

Oversight and challenge of the system of internal controls are provided through established governance arrangements, with regular reporting to the Executive Committee and the Audit and Risk Assurance Committee. As assurance mapping is progressively implemented, it will further strengthen confidence in the effectiveness of the control environment and support continuous improvement in risk management and assurance arrangements.

## Compliance with functional standards

Companies House continues to operate within the framework of applicable government functional standards, with executive sponsorship and organisational ownership in place. During the period, the focus of the Risk Oversight and Corporate Assurance (ROCA) function was on embedding core risk management capability and strengthening second line oversight arrangements. As these foundations have matured, assurance activity is increasingly being used to provide insight into compliance with functional standards.

The developing approach to assurance mapping will play a key role in enabling existing controls, management information and assurance activity to be mapped against functional standard requirements. This will inform prioritised improvement actions and support a more systematic and evidence-based view of compliance and maturity over time.

During the year, improvements in specific areas, including counter fraud arrangements, were recognised by the Audit and Risk Assurance Committee. This provided assurance that progress is being made in strengthening key control frameworks. As ROCA's assurance management mechanisms continue to mature, greater thematic and cross cutting insight will be provided to governance forums on compliance with functional standards and areas for further enhancement.



## Quality assurance of analytical models

Companies House uses analytical models to inform policy making, evaluation and operations. We review and quality assure these models to check that they are fit for purpose, taking account of each model's level of risk and scale. Our quality assurance processes align with the government Analytical Quality Assurance (AQuA) Book. The Department for Business and Trade (DBT) will publish a list of Companies House's business critical models in its Annual Report and Accounts 2025 to 2026.

## Crisis management

Overall responsibility for crisis management sits with the Chief Data Officer and is supported by the Business Continuity Lead. Business impact analysis supports the identification of the most critical services, activities, and resources, and clarifies the consequences of disruption. This enables the prioritisation of decisions and response actions based on operational, financial, legal, and reputational impact.

Crisis management response is supported by an incident management structure that sets out clear roles, responsibilities, and reporting lines. This structure coordinates the response to an incident and ensures effective decision making, communication, and control. It separates strategic, tactical, and operational functions so activity can be scaled and managed proportionately as an incident evolves. Risk based scenario plans have also been developed, setting out predefined response actions for credible risks, scaled to the severity and impact of the scenario.

Assurance of incident response is achieved through a structured programme of regular reviews and exercises, supported by audits provided by the Government Internal Audit Agency (GIAA). This ensures plans, roles, and capabilities remain effective and fit for purpose. It provides confidence that Companies House can respond proportionally to incidents, while identifying gaps, weaknesses, and improvement actions before a real crisis occurs.

## Cabinet Office spending controls

In addition to the rules set out in Managing Public Money, the Cabinet Office operates a set of additional spending controls. We are compliant with the full suite of spending controls.

We provided a pipeline of investment for digital and technology spend, eliminating the requirement to seek individual approvals for every stage of spend.



Digital and technology spend is submitted, assessed, and monitored, through the Get Approval to Spend (GATS) service and added to the spend pipeline. Where required, a joint Pipeline Assurance Group, with members from Companies House, the Department for Business and Trade (DBT), and the Government Digital Service (GDS) meet to discuss high risk, novel or contentious spend requests.

## Commercial controls

Companies House has a mandatory obligation to ensure our activities comply with:

- government commercial policy
- DBT commercial policy
- Cabinet Office commercial spend controls
- the government commercial functional standards
- the Public Contracts Regulations 2015 and the Procurement Act 2023

Control over commercial contracts is maintained by the Companies House commercial function, working with relevant budget holders and business contract owners. This is supported by established commercial procedures and project controls.

Our commercial policy sets out key information on commercial delegation, governance, spend thresholds, procedures and approvals. This must be complied with to ensure Companies House meets its obligations under the public procurement legislative framework.

As a contracting authority, Companies House gives due regard to the National Procurement Policy Statement when exercising its commercial activity, as required by section 13 of the Procurement Act 2023. We support the government's missions by sourcing goods and services that deliver value for money, and social and economic value across the commercial lifecycle.

During the period, Companies House operated a Commercial Assurance Panel (CAP). This was responsible for overseeing and approving commercial and contract management activity to ensure compliance with UK Procurement Law.

From February 2026, the CAP was disbanded and commercial oversight was managed through established commercial delegation arrangements. The commercial team reported to the Finance and Investment Committee (F&IC) and provided assurance that appropriate processes had been followed across programme and project activity, business as usual and business improvement initiatives. This included assurance on compliance with legislative requirements, commercial spend controls and government commercial policy.

For commercial or contractual spend exceeding £10 million, or where the proposed spend is novel, contentious, and/or repercussive, Companies House seeks approval from DBT's Commercial Assurance & Approvals Group (CAAG).



## Financial controls

Companies House operates an established framework of financial procedures and controls. This framework is reviewed and tested through a regular programme of work undertaken by internal audit. The internal audit programme is approved by, and findings are reported to, the Audit and Risk Assurance Committee (ARAC).

The Accounting Officer is responsible for the financial affairs of the organisation, within the authority delegated by the Permanent Secretary of the Department for Business and Trade, and within the budget approved by Ministers. The organisation's budget is allocated to Executive Directors, with authority to commit expenditure sub-delegated to executives and other budget holders in line with agreed limits. Financial performance against the approved budget is monitored monthly by the Executive Committee, including review of the full year financial outlook.

Late filing penalties (LFPs) and civil sanctions received are surrendered directly to HM Treasury and do not form part of Companies House income. The Trust Statement comprises both LFPs and civil sanctions. Civil sanctions include Register of Overseas Entities financial penalties under the Economic Crime and Corporate Transparency Act 2023 (Financial Penalty) Regulations 2024, and non-Register of Overseas Entities financial penalties under section 5 of the Act.

The frameworks governing LFPs and civil sanctions are reviewed and tested as part of the regular internal audit programme. Budget allocation and monitoring arrangements are similarly subject to audit assurance, with civil sanction schemes also reported to and reviewed by DBT.

Individual decisions, including procurement, capital investment and project implementation, are subject to formal business case approval and specialist challenge, in addition to executive approval. In light of the organisation's ongoing transformation, the governance framework in this area is being strengthened to ensure appropriate levels of scrutiny and assurance are maintained.



## Data controls

The Chief Data Officer (CDO) is the senior accountable owner for all data and information at Companies House, including overall accountability for information risk. This covers the ownership, quality, integrity, appropriate use, and lawful handling of information assets across their lifecycle.

The CDO is supported by Information Asset Owners (IAOs) and the Chief Security Officer (CSO). The CSO is accountable for the design, operation, and assurance of physical, personnel, and technical security controls. Executive Directors act as IAOs for the information generated and managed within their directorates. They are accountable for managing associated risks, quality, and compliance through delegated data owners and data stewards.

Strategic management of data assets is coordinated centrally through the data governance framework. This brings together IAOs, data owners, and data stewards to ensure consistent and proportionate oversight.

Security topics and emerging risks are discussed monthly at the Security Forum, chaired by the CDO and attended by relevant staff, including the CSO, Data Protection Officer, Security staff, and subject matter experts. In addition, a detailed security situational report is presented to the Executive Committee each quarter, with further engagement as required. Regular security updates are also provided to the Audit and Risk Assurance Committee (ARAC).

The CSO can report directly to the Chief Executive at any time on any material security matter, where required. A formal incident management process is in place, with incidents and emerging trends reviewed by the forum to ensure effective remediation, learning, and continuous improvement.

The government security functional standard (GovS007: Security) and departmental security health check continue to be the primary mechanisms driving ongoing security improvements across Companies House. This is supported by our ongoing ISO 27001 certification and associated compliance activities.

Companies House promotes a culture of data protection by design and maintains full accountability for the personal data it processes. Work continues to ensure that mechanisms such as data protection impact assessments (DPIAs), the record of processing activity (ROPAs) and data sharing agreements are in place and followed. This helps to ensure that the data processing carried out by Companies House is lawful and appropriate.

During the period, Companies House recorded 59 personal data breaches, two of which were reported to the Information Commissioner's Office. In the context of the level of organisational activity and transformation during the period, this indicates that controls continue to operate effectively.



## Counter fraud and error

Our counter fraud vision is to ensure a resilient and trustworthy Companies House that is free from fraud, where all staff, partners, and stakeholders act with integrity and vigilance. Protecting public trust is vital to our mission. This includes addressing not only economic crime, but the wide spectrum of fraud risks that impact our operations.

During the period, we implemented a counter fraud improvement plan and significantly increased our counter fraud maturity.

We:

- recruited a permanent Head of Counter Fraud Risk Management, who is a member of the Government Counter Fraud Profession, and developed plans to further expand our capability.
- published our Counter Fraud Strategy 2025 to 2028, which sets out our priorities and action plan.
- re-energised the Counter Fraud Community of Practice
- joined the National Fraud Initiative.
- signed up to trial the use of the Public Sector Fraud Authority (PSFA) Fraud Accelerator Tool.
- commenced onboarding to the Internal Fraud Hub to strengthen recruitment governance.
- developed a prioritised fraud risk assessment (FRA) plan and undertook a range of full and thematic FRAs.
- continued to report fraud or error losses quarterly via the consolidated data return to the Cabinet Office via the Department for Business and Trade,

Companies House meets regularly with the Government Internal Audit Agency (GIAA) to share areas of concern, and ensure they are fully informed of progress, to assist with their annual assurance opinion. The GIAA provides support and guidance, as well as investigatory assistance as and when required.

During the period, we obtained additional assurance through a Public Sector Fraud Authority (PSFA) counter fraud functional standard assurance assessment. The assessment demonstrated significant improvement in our arrangements and identified further opportunities to strengthen our counter fraud maturity.

Looking ahead, we have identified three key priorities for the period 2025 to 2028:

- to improve our understanding of the fraud landscape
- to promote a culture that prioritises fraud and error prevention
- to strengthen the detection and reporting of fraud and error



## **Conflict of interest**

Companies House maintains a register of interests for the Accounting Officer, Executive Directors (Senior Civil Servants) and Non-Executive Board Members. During the period, the Main Board noted that there were no company directorships or other significant interests conflicting with their management responsibilities.

In February 2026, Companies House introduced a Declarations Panel comprising the Accounting Officer, the Director of People and Places, and the Director of Finance and Commercial. Senior Civil Servants and Non-Executive Board Members submit an annual declaration of interests return, which is reviewed by the panel. The panel assesses each disclosure to determine whether it constitutes an actual, perceived, potential or no conflict of interest and, where relevant, agrees appropriate mitigations to manage identified risks.

Executive Directors and Non-Executive Board Members are required to disclose any new declarations as they arise. In addition, at the start of each governance meeting, there is an opportunity to declare any relevant interests relating to items under consideration. Depending on the nature of the disclosure, individuals may be required to recuse themselves from discussions and decisions.

During the period, the Main Board noted that no relevant conflicts of interests were declared by the Accounting Officer, Executive Directors or Non-Executive Board Members.

## **Political and charitable gifts**

There were no gifts of a political or charitable nature made during the year.

## **Business appointment rules**

In compliance with the Business Appointment Rules, Companies House is transparent in its advice given to individual applications for senior staff. There were two exits at SCS1 level during the financial year.

## **Raising a concern policy**

Companies House is committed to fostering an environment in which staff are aware of how to raise concerns and feel supported in doing so through appropriate channels, including where matters may constitute whistleblowing.

The Companies House Whistleblowing policy was reviewed and renamed the Raising a Concern including Whistleblowing policy. This aligns with the civil service approach and reflects the broad range of concerns that may be raised.



This review included consideration of the nominated officers in place within Companies House. As a result, a cadre of thirteen new nominated officers was trained. These officers are made up of managers from across the organisation, as well as a Non-Executive member, providing employees with greater choice to raise concerns with someone they feel comfortable approaching. The policy and list of nominated officers are published on the Companies House internal site and available to all employees.

During 2025 to 2026, Companies House did not receive any cases that fell within the scope of whistleblowing.

### **Accounting Officer assurance**

The effectiveness of the systems of internal control is primarily informed by our internal audit reviews, along with the management assurance reporting of our managers who are responsible for the development and maintenance of the internal control framework. The system of internal control is designed to manage risk to a reasonable level and assurance of effectiveness. The system of internal control supports the achievement of our policies, aims and objectives, while safeguarding the funds and assets of the organisation, in accordance with HM Treasury's Managing Public Money.

### **Internal audit**

Internal audit services are delivered by the Government Internal Audit Agency (GIAA) operating under the Public Sector Internal Audit Standards. The work of the GIAA is informed by an assessment of risk to which Companies House is exposed, and annual audit plans are developed based on this analysis.

The internal audit plans are endorsed by the Audit and Risk Assurance Committee (ARAC) and approved by the Accounting Officer. Regular reports are provided to the Accounting Officer and ARAC during the year, detailing recent reviews and actions taken by management, based on audit findings.

At the end of each financial year, the Head of Internal Audit (HIA) provides an annual report on the internal audit activity at Companies House. This includes an opinion on the adequacy and effectiveness of Companies House's governance, risk management and internal controls. This financial year, the Head of Internal Audit (HIA) provided a moderate assurance opinion. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's governance framework, risk management and internal control processes.



This opinion was informed as a result of individual audit engagements undertaken throughout the year, including attendance at governance forums, and engagement with senior management. The HIA assurance activities were aligned to the key risks to strategic objectives of the organisation, focusing on:

- delivery of strategic change and transformation activity, including programme risk management and legacy technology
- governance, compliance and control arrangements, including conflicts of interest and contingent labour
- operational delivery and service effectiveness in core business areas
- the achievement and assurance of key organisational targets and priorities

Companies House management has taken, and continues to take, action in response to the findings raised through internal audit work. Improvement activity is focused on strengthening the control environment in the areas identified and will continue to be monitored through the Executive Committee and the ARAC during 2026 to 2027.

## External audit

The statutory external audit was performed by the National Audit Office (NAO) and reported on by the Comptroller and Auditor General. The notional audit fee for 2025 to 2026 was £117,012. This includes £43,980 for work carried out on the Civil Sanctions Trust Statement for 2025 to 2026, £23,000 relates to audit overruns from the 2024 to 2025 financial year and £7,132 relates to audit overruns for 2025 to 2026 financial year. The NAO did not perform any non-audit services.

## Accounting Officer's conclusion

I have considered the evidence that supports this Governance Statement, including from the governance structures and the independent assurance provided by ARAC.

Overall, noting the above, I am satisfied that Companies House has an appropriate system of governance, risk management and control during this reporting period.

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales  
6 July 2026



# Remuneration and staff report

## Remuneration policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Senior Salaries Review Body. In reaching its recommendations, the review body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- regional and local variations in labour markets and their effects on the recruitment and retention of staff
- government policies for improving public services, including the requirement on departments to meet the output targets for the delivery of departmental services
- the funds available to departments as set out in the government's departmental expenditure limits
- the government's inflation target

The review body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the review body can be found at:  
[www.gov.uk/government/organisations/review-body-on-senior-salaries](http://www.gov.uk/government/organisations/review-body-on-senior-salaries)

## Civil Service appointments

The Constitutional Reform and Governance Act 2010 requires civil service appointments to be made on merit on the basis of fair and open competition. The recruitment principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated in this remuneration report, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at  
[www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

## Fee entitlements for non-executive board members

The table below shows fee entitlements for non-Executive Directors who were members of Companies House's Main Board during the year ending 31 March 2026.

| Board member                                                                                    | 2025/26<br>£'000     | 2024/25<br>£'000 |
|-------------------------------------------------------------------------------------------------|----------------------|------------------|
| <b>John Clarke</b> <sup>1</sup> , non-executive chair (term ended 28 February 2026)             | 20-25<br>(FYE 25-30) | 25-30            |
| <b>Ros Rivaz</b> <sup>2</sup> , non-executive chair                                             | 0-5<br>(FYE 25-30)   | Nil              |
| <b>Emir Feisal</b> , non-executive director and chair of the Audit and Risk Assurance Committee | 10-15                | 10-15            |
| <b>Martin Spencer</b> <sup>3</sup> , non-executive director                                     | 0-5<br>(FYE 10-15)   | 10-15            |
| <b>Timothy Burt</b> , non-executive director                                                    | 10-15                | 10-15            |
| <b>Carol Shutkever</b> , non-executive director                                                 | 10-15                | 10-15            |
| <b>Christopher Loake</b> <sup>4</sup> , non-executive director                                  | 10-15<br>(FYE 10-15) | Nil              |
| <b>Jessica Rusu</b> <sup>5</sup> , non-executive director                                       | 10-15<br>(FYE 10-15) | Nil              |
| <b>Eoin Parker</b> <sup>6, 7</sup> , non-executive director                                     | Nil                  | Nil              |
| <b>Chris Carr</b> <sup>6, 7</sup> , non-executive director                                      | Nil                  | Nil              |
| <b>Nis Bandara</b> <sup>6, 7</sup> , non-executive director                                     | Nil                  | Nil              |

This table has been subject to audit.

1. John Clarke was Chair of Companies House from 1 March 2023 to 28 February 2026.
2. Ros Rivaz was appointed as Chair of Companies House on 1 March 2026.
3. Martin Spencer served as a non-executive director until 29 May 2025.
4. Christopher Loake was appointed as a non-executive director from 1 May 2026.
5. Jessica Rusu was appointed as a non-executive director from 1 May 2026.
6. Eoin Parker, Chris Carr and Nis Bandara are civil servants (DBT Sponsor) and are not remunerated for serving on the Board.
7. Eoin Parker served as DBT Sponsor until 22 April 2025, Nis Bandara served from 23 April to 13 July 2025, and from 1 January to 31 March 2026. Chris Carr served from 14 Jul to 31 December 2025.

## Directors single total figure of remuneration

The table below outlines the single total figure of remuneration for Companies House directors.

| Name                                | Salary                 |                  | Bonus performance payments |                  | Pension          |                  | Total                    |                  |
|-------------------------------------|------------------------|------------------|----------------------------|------------------|------------------|------------------|--------------------------|------------------|
|                                     | 2025/26<br>£'000       | 2024/25<br>£'000 | 2025/26<br>£'000           | 2024/25<br>£'000 | 2025/26<br>£'000 | 2024/25<br>£'000 | 2025/26<br>£'000         | 2024/25<br>£'000 |
| Andy King <sup>1</sup>              | 60-65<br>(FYE 115-120) | Nil              | Nil                        | Nil              | 59               | Nil              | 120-125<br>(FYE 175-180) | Nil              |
| Louise Smyth <sup>2,13</sup>        | 65-70<br>(FYE 130-135) | 125-130          | Nil                        | 0-5              | 22               | 56               | 85-90<br>(FYE 150-155)   | 185-190          |
| Michelle Wall <sup>3</sup>          | 30-35<br>(FYE 85-90)   | 85-90            | 0-5                        | Nil              | 15               | 46               | 50-55<br>(FYE 105-110)   | 130-135          |
| Martin Swain                        | 95-100                 | 90-95            | 5-10                       | 5-10             | 33               | 61               | 135-140                  | 160-165          |
| Jill Callan                         | 85-90                  | 80-85            | Nil                        | 5-10             | 29               | 59               | 115-120                  | 145-150          |
| Rohan Gye                           | 85-90                  | 85-90            | Nil                        | Nil              | 31               | 86               | 120-125                  | 170-175          |
| Sarah Whitehead                     | 85-90                  | 80-85            | 0-5                        | Nil              | 33               | 32               | 120-125                  | 110-115          |
| Charlie Boundy                      | 120-125                | 120-125          | Nil                        | Nil              | 46               | 46               | 165-170                  | 170-175          |
| Robert McNeil <sup>4</sup>          | 30-35<br>(FYE 90-95)   | 80-85            | 5-10                       | 0-5              | 35               | 42               | 70-75<br>(FYE 135-140)   | 125-130          |
| Luisa Fulci <sup>5</sup>            | 85-90<br>(FYE 95-100)  | Nil              | Nil                        | Nil              | 35               | Nil              | 120-125<br>(FYE 130-135) | Nil              |
| Donna Hill <sup>6</sup>             | 80-85<br>(FYE 80-85)   | Nil              | Nil                        | Nil              | 112              | Nil              | 190-195<br>(FYE 195-200) | Nil              |
| Stuart Drake <sup>7</sup>           | 55-60<br>(FYE 85-90)   | Nil              | Nil                        | Nil              | 23               | Nil              | 75-80<br>(FYE 110-115)   | Nil              |
| John Hewson <sup>8</sup>            | 30-35<br>(FYE 80-85)   | Nil              | Nil                        | Nil              | 11               | Nil              | 40-45<br>(FYE 90-95)     | Nil              |
| Clare Finn <sup>9</sup>             | 5-10<br>(FYE 90-95)    | Nil              | Nil                        | Nil              | 8                | Nil              | 15-20<br>(FYE 100-105)   | Nil              |
| Amy Harcombe (Wookey) <sup>10</sup> | 30-35<br>(FYE 80-85)   | Nil              | Nil                        | Nil              | 31               | Nil              | 60-65<br>(FYE 110-115)   | Nil              |

| Name                       | Salary                    |                  | Bonus performance payments |                  | Pension          |                  | Total                     |                  |
|----------------------------|---------------------------|------------------|----------------------------|------------------|------------------|------------------|---------------------------|------------------|
|                            | 2025/26<br>£'000          | 2024/25<br>£'000 | 2025/26<br>£'000           | 2024/25<br>£'000 | 2025/26<br>£'000 | 2024/25<br>£'000 | 2025/26<br>£'000          | 2024/25<br>£'000 |
| Grace Horton <sup>11</sup> | 85-90<br>(FYE<br>240-245) | Nil              | Nil                        | Nil              | Nil              | Nil              | 85-90<br>(FYE<br>240-245) | Nil              |
| Joel Glover <sup>12</sup>  | 25-30<br>(FYE<br>240-245) | Nil              | Nil                        | Nil              | Nil              | Nil              | 25-30<br>(FYE<br>240-245) | Nil              |

This table has been subject to audit.

1. Andy King joined Companies House as the CEO from 22 September 2025.
2. Louise Smyth was the CEO at Companies House up until the 22 September 2025.
3. Michelle Wall was the Director of Finance and Commercial up until 11 August 2025.
4. Robert McNeil was the Director of Transformation Delivery up until 31 July 2025.
5. Luisa Fulci joined Companies House as the Director of Transformation and Business Change from 15 May 2025.
6. Donna Hill joined Companies House as the Director of People and Places from 1 April 2025.
7. Stuart Drake joined Companies House as the Director of Portfolio, Change and Implementation from 1 August 2025.
8. John Hewson joined Companies House as the Director of Services from 3 November 2025.
9. Clare Finn joined Companies House as the Director of Finance and Commercial from 2 March 2026.
10. Amy Harcombe (previously known as Amy Wookey) acted as the interim Director of Services from 16 June 2025 to 31 October 2025.
11. Grace Horton was Interim Finance and Commercial Director from 13 October 2025 to 6 March 2026, replaced by Clare Finn. She was an off-payroll worker appointed through agency and therefore did not have any pension/CETV payments.
12. Joel Glover was Interim Finance and Commercial Director from 18 August 2025 to 15 September 2026, replaced by Grace Horton. He was an off-payroll worker appointed through agency and therefore did not have any pension/CETV payments.
13. Louise Smyth's opening balance for pension disclosures is not consistent with the closing balance reported in the prior year. This is due to the availability in 2025/2026 of more up to date data relevant to the calculation of the prior year benefits.
14. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.
15. The final salary pension of a person in employment is calculated by reference to their pay and length of service. The pension will increase from one year to the next by virtue of any pay rise during the year. Where there is no or a small pay rise, the increase in pension due to extra service may not be sufficient to offset the inflation increase—that is, in real terms, the pension value can reduce, hence the negative values.
16. FYE stands for Full Year Equivalent salary.

## Salary

“Salary” includes gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances, and any other



allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by Companies House and thus recorded in these accounts.

## Benefits in kind

No director received a benefit in kind in 2025 to 2026 (2024 to 2025: Nil).

## Bonus (performance payments)

Senior civil servants' performance pay is determined by the Senior Pay Committee of DBT. Performance related awards are assessed annually by the Remuneration Committee, a formal sub-committee of the Main Board. The one-off payments are determined by individual performance and criteria associated with Companies House's performance management process and aligned to the policy for public sector pay.

Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2025 to 2026 relate to performance in 2025 to 2026 and the comparative bonuses reported for 2024 to 2025 relate to the performance in 2024 to 2025.

## Fair pay disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation, and the lower quartile, median and upper quartile remuneration, and corresponding ratio of the organisation's workforce.

The banded remuneration of the highest paid director at Companies House in the financial year 2025 to 2026 was £240,000 to £245,000 (2024 to 2025: £130,000 to £135,000). The increase in banded remuneration of the highest paid director in the year 2025 to 2026 is due to appointment of Interim Director of Finance and Commercial through off payroll engagement while recruiting for a permanent full time Director of Finance and Commercial. The banded remuneration of the highest paid director was 7.93 times the median remuneration of the workforce (2024 to 2025: 3.8), which was £30,578 (2024 to 2025: £34,892).



In 2025 to 2026, 5 specialist contractors in Digital Data and Technology received remuneration in excess of the highest paid director (2024 to 2025: 236). Remuneration ranged from £22,000 to £314,000 (2024 to 2025: £21,000 to £382,000).

The decrease in the average salary and allowances of Companies House employees of -6% (2024 to 2025 -1%) reflects the reduction in use of contingent labour to cover vacancies during the year.

The decrease in the average performance pay and bonuses paid of -20% (2024 to 2025: 4%) is attributed to the introduction of a reward and recognition system called 'Impact' which is designed to reward employees with high levels of performance which have contributed to meeting one of our 6 strategic goals and the continued use of contingent labour that are not eligible to the 'Impact' reward and recognition system.

Total remuneration includes salary, non-consolidated performance related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. All employee remuneration figures have been calculated, including temporary and agency staff, in line with the Government Financial Reporting Manual (FReM) guidelines.

Percentage change in total salary and bonuses for the highest paid director and the staff average.

|                       | Total salary<br>and allowances | Bonus<br>payments |
|-----------------------|--------------------------------|-------------------|
| Salary average        | -6%                            | -20%              |
| Highest paid director | 90% <sup>1</sup>               | -100%             |

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<sup>1</sup> The banded remuneration of the highest-paid directors at Companies House in 2025-26 was £240,000–£245,000, relating to Grace Horton and Joel Glover, who both served as Interim Director of Finance and Commercial during the year. In 2024 to 25 the highest paid director was Louise Smyth with remuneration of £130,000–£135,000.



Ratio between the highest paid directors' total remuneration and the lower quartile, median and upper quartile for total pay and benefits.

|                                                                                   |       | 2025/26               | 2024/25   |
|-----------------------------------------------------------------------------------|-------|-----------------------|-----------|
| Band of highest paid director's total remuneration (FYE)                          | £'000 | 240 – 245             | 130 – 135 |
| Band of highest paid director's total salary (FYE)                                | £'000 | 240 – 245             | 125 – 130 |
| Range of staff remuneration (Including temporary and agency staff)                | £'000 | 22 – 314 <sup>2</sup> | 21 – 382  |
| Median remuneration—total pay & benefits                                          | £     | 30,578                | 34,892    |
| Median remuneration—salary component of total pay & benefits                      | £     | 30,502                | 34,892    |
| Ratio                                                                             |       | 7.93                  | 3.80      |
| 25 <sup>th</sup> percentile remuneration—total pay & benefits                     | £     | 26,652                | 25,834    |
| 25 <sup>th</sup> percentile remuneration—salary component of total pay & benefits | £     | 26,452                | 25,619    |
| Ratio                                                                             |       | 9.10                  | 5.13      |
| 75 <sup>th</sup> percentile remuneration—total pay & benefits                     | £     | 47,324                | 52,269    |
| 75 <sup>th</sup> percentile remuneration—salary component of total pay & benefits | £     | 47,044                | 51,854    |
| Ratio                                                                             |       | 5.12                  | 2.53      |

<sup>2</sup> While the actual range of staff remuneration starts from £200 due to a member of staff on an Other Government Department (OGD) loan receiving only a bonus, the range has been adjusted to start from £22,000 to enable like-for-like comparison between years where staff received full salary throughout the year including bonus.

## Directors-pension benefits

| Name                             | Real increase in pension and related lump sum at pension age | Accrued pension as at 31 March 2026 and related lump sum | CETV <sup>1</sup> at 31 March 2026 | CETV <sup>2</sup> at 31 March 2025 | Real increase (decrease) in CETV funded by employer |
|----------------------------------|--------------------------------------------------------------|----------------------------------------------------------|------------------------------------|------------------------------------|-----------------------------------------------------|
|                                  | £'000                                                        | £'000                                                    | £'000                              | £'000                              | £'000                                               |
| <b>Andy King</b>                 | 2.5 – 5                                                      | 45 – 50                                                  | 809                                | 744                                | 49                                                  |
| <b>Louise Smyth<sup>2</sup></b>  | 0 - 2.5 plus a lump sum of 0                                 | 70 – 75 plus a lump sum of 125 – 130                     | 1,565                              | 1,537                              | 18                                                  |
| <b>Michelle Wall</b>             | 0 – 2.5                                                      | 25 – 30                                                  | 560                                | 531                                | 11                                                  |
| <b>Martin Swain</b>              | 0 – 2.5 plus a lump sum of 0                                 | 40 - 45 plus a lump sum of 100 – 105                     | 956                                | 882                                | 21                                                  |
| <b>Jill Callan<sup>2</sup></b>   | 0 – 2.5 plus a lump sum of 0                                 | 40 - 45 plus a lump sum of 110 – 115                     | 1,056                              | 977                                | 20                                                  |
| <b>Rohan Gye<sup>2</sup></b>     | 0 – 2.5 plus a lump sum of 0                                 | 35 - 40 plus a lump sum of 50 – 55                       | 698                                | 644                                | 19                                                  |
| <b>Sarah Whitehead</b>           | 0 – 2.5                                                      | 25 – 30                                                  | 349                                | 316                                | 17                                                  |
| <b>Charlie Boundy</b>            | 2.5 – 5                                                      | 30 – 35                                                  | 434                                | 384                                | 30                                                  |
| <b>Robert McNeil<sup>2</sup></b> | 0 – 2.5 plus a lump sum of 2.5 – 5                           | 40 – 45 plus a lump sum of 105 – 110                     | 1,032                              | 985                                | 35                                                  |
| <b>Luisa Fulci</b>               | 0 – 2.5                                                      | 0 – 5                                                    | 32                                 | 0                                  | 27                                                  |
| <b>Donna Hill</b>                | 5 – 7.5 plus a lump sum of 7.5 – 10                          | 35 – 40 plus a lump sum of 75 – 80                       | 846                                | 703                                | 112                                                 |
| <b>Stuart Drake</b>              | 0 – 2.5                                                      | 0 – 5                                                    | 17                                 | 0                                  | 13                                                  |
| <b>John Hewson</b>               | 0 – 2.5 plus a lump sum of 0                                 | 25 – 30 plus a lump sum of 65 – 70                       | 558                                | 543                                | 6                                                   |
| <b>Clare Finn</b>                | 0 – 2.5 plus a lump sum of 0 – 2.5                           | 35 - 40 plus a lump sum of 90 – 95                       | 889                                | 862                                | 8                                                   |
| <b>Amy Harcombe (Wookey)</b>     | 0 – 2.5 plus a lump sum of 0 – 2.5                           | 25 - 30 plus a lump sum of 70 – 75                       | 585                                | 542                                | 25                                                  |

This table has been subject to audit.

1. Cash equivalent transfer value.
2. Opening balances for pension disclosures for some members are not consistent with the closing balances reported in the prior year. This is due to the availability in 2025/2026 of more up to date data relevant to the calculation of the prior year benefits.
3. Grace Horton was Interim Finance and Commercial Director from 13 October 2025 to 6 March 2026 and Joel Glover was Interim Finance and Commercial Director from 18 August 2025 to 15 September 2026. Both were off-payroll workers engaged through agency and were not entitled to pension benefits or CETV payments. Accordingly, they have not been included in the table above.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Any members affected by the Public Service Pensions Remedy were reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2022 to 2023 but are reported in the legacy scheme for the same period in 2023 to 2024.

## Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

CETV figures are calculated using HM Treasury guidance on discount rates for calculating unfunded public service pension contribution rates. The guidance published on 27 April 2023 was applied in the calculation of CETV figures.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the civil service pension arrangements. They also include any additional pension benefit accrued to the member because of their buying additional pension benefits at their own cost.



CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

## **Real increase in CETV**

This reflects the increase in CETV that is funded by the Exchequer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



# Staff report

## Overview

The staff report covers employee matters in the year. It also provides statutory disclosures on staff costs, numbers, composition, and other activities.

## Staff policies

Throughout the year, we have continued our commitment to employee wellbeing, ensuring our practices adhere to the Civil Service Health and Wellbeing Standards. These standards focus on prevention, intervention and fostering a positive organisational culture.

Our approach is guided by five key priorities:

- Providing clear and visible leadership on health, wellbeing and mental health initiatives.
- Fostering open conversations that translate into meaningful action on mental health concerns.
- Encouraging and promoting healthy lifestyle choices among staff.
- Supporting and endorsing national health and wellbeing campaigns throughout the organisation.
- Assisting employees to remain in work or successfully return to work following absence.

This approach also reflects our responsiveness to changes in workforce demographics and the evolving nature of our organisational roles. Our commitment to staff wellbeing has been formally recognised, as we achieved Platinum Investors in Wellbeing status in 2025. This prestigious recognition reflects our ongoing commitment to creating a healthy and supportive working environment for all employees.

We have adopted the Civil Service Staff Network Policy and introduced a new Equality, Diversity and Inclusion (EDI) policy, further strengthening our commitment to a supportive and inclusive organisational culture where people-led networks can thrive, peer-to-peer discussion is encouraged and shared experiences and support are readily available.

Strong relationships with our Occupational Health provider have ensured an understanding of the way in which we work, resulting in consistency throughout a wide range of support and recommendations that bring workable solutions.

To align with new statutory legislation following the publication of the Employment Rights Bill in October 2024, we have increased our focus of developing our people policies. These have included updating our Family and Flexible Working policies and introducing new policies on Carer's Leave and taking a Career Break.

## Staff engagement

In this year's People Survey (2025 to 2026), we achieved a 79% completion rate, compared with a median of 75% across the 102 participating organisations. The Civil Service overall (mean) completion rate was 59%, two percentage points lower than in 2024 to 2025. This year's results delivered an overall engagement score of 69%, unchanged from 2024 to 2025, and four percentage points above the Civil Service benchmark.

We performed well against other Civil Service organisations on the Employee Engagement Index and most core themes. However, our score for the 'My Work' theme fell compared with both other organisations and our previous People Survey results.

We remain focused on ensuring colleague feedback shapes organisational priorities and drives sustained improvements in engagement and performance. Delivery of the corporate action plan developed from the 2023 survey continues, with the 'My Work' theme added this year. We are working with directorate engagement groups to build on progress and embed improvements, supported by organisation-wide forums that share actions taken in response to feedback, including quarterly Show and Tells.

## Staff composition

The table below shows the full headcount for the number of senior civil service staff (or equivalent) by band during the year.

| Senior civil service staff band | 2025/26<br>Number of senior<br>service staff | 2024/25<br>Number of senior<br>service staff |
|---------------------------------|----------------------------------------------|----------------------------------------------|
| Band 1                          | 13                                           | 9                                            |
| Band 2                          | 2                                            | 1                                            |
| <b>Total</b>                    | <b>15</b>                                    | <b>10</b>                                    |

The average number of employees during the period was as follows:

| Staff numbers by location | 2025/26<br>Total<br>employees | 2025/26<br>Full-time<br>equivalent<br>posts (FTE) | 2024/25<br>Total<br>employees | 2024/25<br>Full-time<br>equivalent<br>posts (FTE) |
|---------------------------|-------------------------------|---------------------------------------------------|-------------------------------|---------------------------------------------------|
| Cardiff                   | 2,117                         | 2,011                                             | 1,577                         | 1,480                                             |
| Belfast                   | 35                            | 35                                                | 22                            | 21                                                |
| Edinburgh                 | 59                            | 56                                                | 36                            | 34                                                |
| <b>Total</b>              | <b>2,211</b>                  | <b>2,102</b>                                      | <b>1,635</b>                  | <b>1,535</b>                                      |

| Staff numbers by activity                                  | 2025/26<br>Total<br>employees | 2025/26<br>Full-time<br>equivalent<br>posts (FTE) | 2024/25<br>Total<br>employees | 2024/25<br>Full-time<br>equivalent<br>posts (FTE) |
|------------------------------------------------------------|-------------------------------|---------------------------------------------------|-------------------------------|---------------------------------------------------|
| Customer Delivery Directorate and Late Filing Penalties    | 1,297                         | 1,213                                             | 917                           | 845                                               |
| Digital Services                                           | 421                           | 412                                               | 331                           | 322                                               |
| Corporate Services                                         | 449                           | 433                                               | 352                           | 338                                               |
| Strategy                                                   | 5                             | 5                                                 | 4                             | 0                                                 |
| Chief Executive and Registrar and legal                    | 39                            | 39                                                | 31                            | 30                                                |
| <b>Total</b>                                               | <b>2,211</b>                  | <b>2,102</b>                                      | <b>1,635</b>                  | <b>1,535</b>                                      |
| Staff who worked on capital projects (also included above) | 200                           | -                                                 | 146                           | -                                                 |

In addition, the average number of contract staff was 84 (2024 to 2025: 69) of whom 33 (2024 to 2025: 42) were included on capital projects.

| Staff numbers by contract type (average headcount)                                                                          | 2025/26      | 2024/25      |
|-----------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Staff with a permanent (UK) employment contract with Companies House                                                        | 2,188        | 1,611        |
| Other staff engaged on the objectives of Companies House                                                                    | 23           | 24           |
| <b>Total</b>                                                                                                                | <b>2,211</b> | <b>1,635</b> |
| Other temporary staff not employed by Companies House but engaged on the objectives of Companies House (not included above) | 344          | 364          |

This table has been subject to audit.



| Staff composition<br>(average headcount) | 2025/26<br>Female | Male         | Total        | 2024/25<br>Female | Male       | Total        |
|------------------------------------------|-------------------|--------------|--------------|-------------------|------------|--------------|
| Directors (senior civil servants)        | 5                 | 5            | 10           | 5                 | 4          | 9            |
| Employees                                | 1,166             | 1,035        | 2,201        | 876               | 750        | 1,626        |
| <b>Total</b>                             | <b>1,171</b>      | <b>1,040</b> | <b>2,211</b> | <b>881</b>        | <b>754</b> | <b>1,635</b> |

There were 6 independent non-Executive Board members as at 31 March 2026 (2024 to 2025: 5).

The average staff turnover in the year was 8% (2024 to 2025: 7%).

During 2025 to 2026, the total number of whole time equivalent (WTE) days lost to sickness absence was 14,714 days (2024 to 2025: 11,284 days). This equated to an average of 6.86 working days lost per staff member (2024 to 2025: 7.45 days); a total sickness absence rate of 2.7% (2024 to 2025: 2.8%).

## Staff costs

| Staff costs (for the above persons)                       | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-----------------------------------------------------------|------------------|------------------|
| Salaries                                                  | 80,348           | 57,880           |
| National Insurance                                        | 10,230           | 5,911            |
| Pension costs                                             | 21,825           | 15,698           |
| Contract staff                                            | 16,165           | 13,991           |
| Capitalised staff costs (included above)                  | (512)            | (1,570)          |
| Capitalised contract staff project costs (included above) | (3,149)          | (3,131)          |
| <b>Staff costs per operating account</b>                  | <b>124,907</b>   | <b>88,779</b>    |

This table has been subject to audit.



## Civil Service pensions

Pension benefits are provided through the civil service pension arrangements. From 1 April 2015, a new pension scheme for civil servants was introduced—the Civil Servants and Others Pension Scheme, or alpha. This provides benefits on a career average basis with a normal pension age equal to the member's State Pension age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service, joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60, and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with the pensions increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 switched into alpha sometime between 1 June 2015 and 1 February 2022. Because the government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the CETV shown in this report—see above).

All members who switch to alpha have their PCSPS benefits “banked”, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic, and benefits for service from October 2002 worked out as in premium. In nuvos, a member builds up a pension based on their pensionable earnings during their period of scheme membership.



At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the pensions increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes but note that part of that pension may be payable from different ages.)

Further details about civil service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

Further information on the treatment of pension liabilities is included in the accounting policies (note 1 of the financial statements).



## Consultancy and the use of contingent labour

| Consultancy and the use of contingent labour | 2025/26<br>£'000 | 2024/25<br>£'000 |
|----------------------------------------------|------------------|------------------|
| Consultancy expenditure                      | 121              | 342              |
| Contingent labour expenditure                | 16,165           | 13,991           |

The use of contingent labour has increased during the year, to supplement the existing workforce and support the extensive transformation programme.

## Compensation for loss of office

Companies House did not run an exit release scheme during 2025 to 2026. This means that no members of staff left during the year under a voluntary exit scheme (2024 to 2025: Nil).

During the year 3 employees (2024 to 2025: 4) received compensation payments totalling £248,728.44 following their efficiency departure (2024 to 2025: £33,679).

This section has been subject to audit.

## Off-payroll engagements

The table below shows the number of highly paid off-payroll worker engagements as at 31 March 2026, who earned £245 per day or greater.

|                                                             | 2025/26 |
|-------------------------------------------------------------|---------|
| Number of existing engagements as at 31 March 2026          | 253     |
| Of which:                                                   |         |
| - Number that have existed for less than one year           | 78      |
| - Number that have existed for between one and two years    | 112     |
| - Number that have existed for between two and three years  | 34      |
| - Number that have existed for between three and four years | 19      |
| - Number that have existed for more than 4 years            | 10      |

**2025/26**

|                                                                                                                       |     |
|-----------------------------------------------------------------------------------------------------------------------|-----|
| Number of temporary off-payroll workers engaged during the year ending 31 March 2026 earning £245 per day or greater. | 344 |
|-----------------------------------------------------------------------------------------------------------------------|-----|

|           |  |
|-----------|--|
| Of which: |  |
|-----------|--|

|                                          |     |
|------------------------------------------|-----|
| - Not subject to off-payroll legislation | 203 |
|------------------------------------------|-----|

|                                                                         |   |
|-------------------------------------------------------------------------|---|
| - Subject to off-payroll legislation and determined as in-scope of IR35 | 0 |
|-------------------------------------------------------------------------|---|

|                                                                             |     |
|-----------------------------------------------------------------------------|-----|
| - Subject to off-payroll legislation and determined as out-of-scope of IR35 | 141 |
|-----------------------------------------------------------------------------|-----|

|                                                                                         |   |
|-----------------------------------------------------------------------------------------|---|
| - Number of engagements reassessed for compliance or assurance purposes during the year | 0 |
|-----------------------------------------------------------------------------------------|---|

|                                                                                     |   |
|-------------------------------------------------------------------------------------|---|
| - Of which: Number of engagements that saw a change to IR35 status following review | 0 |
|-------------------------------------------------------------------------------------|---|

The table below shows any off-payroll engagements of board members and/or senior officials with significant financial responsibility between 1 April 2025 and 31 March 2026.

**2025/26**

|                                                                                                                                                |   |
|------------------------------------------------------------------------------------------------------------------------------------------------|---|
| Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility during the financial year | 2 |
|------------------------------------------------------------------------------------------------------------------------------------------------|---|

|                                                                                                                                                                                  |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| Number of individuals on-payroll and off-payroll that have been deemed board members and/or senior officials with significant financial responsibility during the financial year | 15 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|

Grace Horton and Joel Glover were appointed on a temporary basis to cover the role of Interim Director of Finance and Commercial while recruiting for a permanent full time Director of Finance and Commercial. They were the only off payroll engagement on the board during the financial year.

Grace Horton was the Interim Director of Finance and Commercial from October 2025 to March 2026. Joel Glover was the Interim Director of Finance and Commercial from August 2025 to September 2026.

## Auditable and non-auditable elements of this report

The tables in this remuneration and staff report specified as audited have been subject to audit and are referred to in the Certificate and Report of the Comptroller and Auditor General to the House of Commons. The Comptroller and Auditor General's opinion is included within this certificate and report.

# Parliamentary accountability and audit report

## Parliamentary accountability

The information included within the Parliamentary accountability report has been subject to audit.

## Fees and charges

The following information on the main activities of Companies House is produced for fees and charges purposes and does not constitute segmental reporting under IFRS 8.

|                                       | Number         | Income           | Cost of services <sup>5</sup> | Surplus / (deficit) |
|---------------------------------------|----------------|------------------|-------------------------------|---------------------|
|                                       | 2025/26<br>000 | 2025/26<br>£'000 | 2025/26<br>£'000              | 2025/26<br>£'000    |
| <b>Fee bearing:</b>                   |                |                  |                               |                     |
| Registration activities:              |                |                  |                               |                     |
| Confirmation statement <sup>1</sup>   | 4,325          | 159,549          | (126,660)                     | 32,889              |
| Incorporations                        | 822            | 47,764           | (82,307)                      | (34,543)            |
| Other regulatory activities           | 785            | 29,215           | (21,149)                      | 8,066               |
| Dissemination activities <sup>2</sup> | 80             | 2,158            | (1,449)                       | 709                 |
| <b>Non-Fee bearing:</b>               |                |                  |                               |                     |
| LFP & Sanction recovery               |                | 15,238           | (15,238)                      | -                   |
| Other services <sup>3</sup>           |                | 787              | (11,864)                      | (11,077)            |
| Notional charge <sup>4</sup>          |                | -                | 2,488                         | 2,488               |
| <b>Total as per operating account</b> |                | <b>254,711</b>   | <b>(256,179)</b>              | <b>(1,468)</b>      |

This table has been subject to audit.

1. Fee collected with confirmation statement includes cost of processing annual accounts, changes of details, and verification statements.
2. Dissemination activities includes provision of certified copies of material and output of searches delivered on paper, electronically and to bulk customers. The deficit is a result of the free provision of dissemination services to users.
3. Although non-fee-bearing costs of services are funded by DBT rather than Companies House fees and charges, they are included to ensure the total cost of services aligns with the financial statements. For further information on funding streams please see the Financing section of the Financial Performance.
4. The notional charge represents the cost of capital, which is a non-cash charge to recover the cost to the government of financing investment and is included in fee calculations in line with Managing Public Money. Any surplus arising from the notional charge is returned to the Consolidated Fund through DBT with no expense recognised in the financial statement.
5. An uplift to the incorporation fee and the annual fee was determined by Ministers to provide additional funding for activities under section 1063 (3A) of the Companies Act 2006. The presented over recovery of Confirmation Statements and under recovery of Incorporations relates to the recovery of enforcement costs under this legislation and not the direct cost of the service.
6. Cost of services includes costs directly attributable to provision of services, plus apportioned support costs and overheads, in accordance with the cost-recovery principles of HMT's Managing Public Money. This also includes interest payable, interest receivable, and dividends payable.

We charge fees for functions and services under section 1063 of the Companies Act (2006). Fees may be charged for— (a) the performance of a duty imposed on the registrar or the Secretary of State, (b) the receipt of documents delivered to the registrar, and (c) the inspection, or provision of copies, of documents kept by the registrar.

Following the enactment of the Economic Crime and Corporate Transparency Act (ECCT Act), section 1063 of the Companies Act (2006) was amended (by insertion of paragraph 3A) to allow Companies House to recover through fees, the funding for: functions of the Secretary of State related to specified legislation, functions carried out by the Insolvency Service on behalf of the Secretary of State in connection with the detection, investigation or prosecution of offences, or the recovery of the proceeds of crime, so far as relating to bodies corporate or other firms, or in connection with the Insolvency Act 1986, so far as relating to bodies corporate or other firms, and various functions carried out by the Insolvency Service or other departments in Northern Ireland.

As noted, fees are managed according to the principles of 'Managing Public Money' where fees are set with the intention of recovering full costs. This excludes the funding of capital expenditure and the issuing and pursuit of penalties, but it does include the recovery of cost of capital, which is not recognised within the Financial Accounts. Therefore, cost of capital is shown separately in the above table as "Notional Charge" to enable reconciliation with Financial Accounts.

The £7 million surplus is mainly driven by two drivers; higher than forecast volumes of fee bearing documents and an underspend across Companies House and the Insolvency Service. The underspend mainly reflects recruitment difficulties in both departments and delays in several projects, resulting in running costs not materialising.

The fees were amended on the 1 February 2026 and these are detailed on the GOV.UK website. The fees were increased to fund the cost of increased activities of Companies

House and the Insolvency Service to implement the Economic Crime and Corporate Transparency Act 2023.

Link to explanatory memorandum:

[https://www.legislation.gov.uk/ukxi/2025/1137/pdfs/ukxiem\\_20251137\\_en\\_001.pdf](https://www.legislation.gov.uk/ukxi/2025/1137/pdfs/ukxiem_20251137_en_001.pdf)

Example fees for digital filing for companies and overseas entities (ROE) include:

| Transaction                                          | Fee until<br>31 January 2026 | Fee from<br>1 February 2026 |
|------------------------------------------------------|------------------------------|-----------------------------|
| Confirmation statement                               | £34                          | £50                         |
| Incorporation                                        | £50                          | £100                        |
| Other regulatory registration - voluntary strike off | £33                          | £13                         |
| Other regulatory registration - ROE registration     | £234                         | £252                        |
| Other regulatory registration - ROE update statement | £234                         | £136                        |
| Other regulatory registration - ROE deregistration   | £706                         | £303                        |

## Regularity of expenditure

Companies House administers its affairs ensuring prudent and economical administration, avoidance of waste and extravagance, and efficient and effective use of all available resources. Adequate controls exist to ensure the propriety and regularity of its finances.

## Special payments and losses

There were three constructive losses totalling £1,776,863 that met the reporting threshold of £300,000 (2024 to 2025: no losses).

All three losses related to the impairment of assets under construction from abandoned projects.

Following a formal approval process in January 2024 a decision was made to cease the development of a digital offering for Certified Certificates and Certified Copies of documents as resources were moved on to the Economic Crime and Corporate Transparency legislative work deliverables. After a review in 2026, it was identified that the solution being developed no longer met the requirements. This has resulted in a constructive loss of £620,589.



In December 2024, Companies House commenced a project to re-platform one of our internal business systems. However in December 2025, new security requirements meant the work developed on this project stopped. This has resulted in a constructive loss of £612,750.

In July 2025, Companies House built a digital journey for customers to enter historical information in relation to a Register of Overseas Entities. In March 2026, this project was formally cancelled as the requirement was no longer needed. This has resulted in a constructive loss of £543,524.91.

There were no special payments that met the reporting threshold of £300,000 (2024 to 2025: no payments).

## Remote contingent liabilities

There are no remote contingent liabilities to disclose for 2025 to 2026 (2024 to 2025: Nil).

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales  
6 July 2026



# The certificate and report of the Comptroller and Auditor General to the House of Commons

## Opinion on financial statements

I certify that I have audited the financial statements of Companies House for the year ended 31 March 2026 under the Government Resources and Accounts Act 2000.

The financial statements comprise Companies House's

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of Companies House's affairs as at 31 March 2026 and its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of Companies House in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that Companies House's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Companies House's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Companies House is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other information

The other information comprises information included in the Performance Report and Accountability Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of Companies House and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by Companies House or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within Companies House from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;



- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing Companies House's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Companies House will not continue to be provided in the future.

## **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:



- considered the nature of the sector, control environment and operational performance including the design of Companies House's accounting policies, key performance indicators and performance incentives.
- inquired of management, Companies House's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Companies House's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including Companies House's controls relating to Companies House's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money.
- inquired of management, Companies House's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within Companies House for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of Companies House's framework of authority and other legal and regulatory frameworks in which Companies House operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of Companies House. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation Act, Companies Act 2006, employment law, pensions legislation and tax legislation.

## Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;



- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

## Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**  
Comptroller and Auditor General

**Date** 6 July 2026

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# 03

## Financial statements





# Statement of comprehensive net expenditure for the year ending 31 March 2026

|                                                            | Note     | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------------------------|----------|------------------|------------------|
| <b>Total operating income</b>                              | <b>2</b> | <b>254,711</b>   | <b>220,290</b>   |
| Staff costs                                                | 3        | (124,907)        | (88,779)         |
| Non-staff administration costs                             | 4        | (131,184)        | (109,119)        |
| <b>Total operating expenditure</b>                         |          | <b>(256,091)</b> | <b>(197,898)</b> |
| <b>Net operating income/(expenditure)</b>                  |          | <b>(1,380)</b>   | <b>22,392</b>    |
| Interest payable on lease liability                        | 6        | (88)             | (64)             |
| <b>Net income/(expenditure) for the year</b>               |          | <b>(1,468)</b>   | <b>22,328</b>    |
| <b>Comprehensive net income/(expenditure) for the year</b> |          | <b>(1,468)</b>   | <b>22,328</b>    |

All income and expenditure is derived from continuing activities.

The accompanying notes form part of the financial statements.



# Statement of financial position as at 31 March 2026

|                                      | Note | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------------|------|------------------|------------------|
| <b>Non-current assets</b>            |      |                  |                  |
| Property, plant and equipment        | 5    | 2,036            | 1,939            |
| Right of use assets                  | 6    | 2,542            | 2,702            |
| Intangible assets                    | 7    | 55,611           | 50,189           |
| <b>Total non-current assets</b>      |      | <b>60,189</b>    | <b>54,830</b>    |
| <b>Current assets</b>                |      |                  |                  |
| Trade and other receivables          | 8    | 33,647           | 38,104           |
| Cash and cash equivalents            | 9    | 33,350           | 37,509           |
| <b>Total current assets</b>          |      | <b>66,997</b>    | <b>75,613</b>    |
| <b>Total assets</b>                  |      | <b>127,186</b>   | <b>130,443</b>   |
| <b>Non-current liabilities</b>       |      |                  |                  |
| Lease liability                      | 6    | (2,031)          | (2,042)          |
| <b>Total non-current liabilities</b> |      | <b>(2,031)</b>   | <b>(2,042)</b>   |
| <b>Current liabilities</b>           |      |                  |                  |
| Trade and other payables             | 10   | (23,205)         | (36,656)         |
| Provisions                           | 11   | -                | (386)            |
| Lease liability                      | 6    | (530)            | (688)            |
| <b>Total current liabilities</b>     |      | <b>(23,735)</b>  | <b>(37,730)</b>  |
| <b>Total liabilities</b>             |      | <b>(25,766)</b>  | <b>(39,772)</b>  |
| <b>Assets less liabilities</b>       |      | <b>101,420</b>   | <b>90,671</b>    |
| <b>Taxpayers' equity</b>             |      |                  |                  |
| General fund                         |      | 101,420          | 90,671           |
| <b>Total</b>                         |      | <b>101,420</b>   | <b>90,671</b>    |

The accompanying notes form part of the financial statements.



**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



# Statement of cash flows for the year ending 31 March 2026

|                                                                                   | Note    | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-----------------------------------------------------------------------------------|---------|------------------|------------------|
| Cash flows from operating activities                                              |         |                  |                  |
| Net operating income/(expenditure)                                                | SoCNE   | (1,380)          | 22,392           |
| <b>Adjustments for non-cash transactions</b>                                      |         |                  |                  |
| Depreciation and amortisation                                                     | 5, 6, 7 | 10,931           | 7,684            |
| (Profit)/Loss on disposal of assets                                               | 4       | -                | (4)              |
| Impairment                                                                        | 5, 6, 7 | 1,777            | 291              |
| Auditor's remuneration                                                            | SoCNE   | 117              | 83               |
| <b>Changes in operating assets and liabilities</b>                                |         |                  |                  |
| (Increase)/Decrease in trade and other receivables                                | 8       | 4,457            | (23,972)         |
| Increase/(Decrease) in trade and other payables                                   | 10      | (13,451)         | 19,282           |
| Movements in payables relating to items not passing through the operating account |         | -                | 200              |
| Movement in provisions                                                            | 11      | (386)            | 103              |
| <b>Net cash inflow from operating activities</b>                                  |         | <b>2,065</b>     | <b>26,059</b>    |
| <b>Cash flows from investing activities</b>                                       |         |                  |                  |
| Purchase of property, plant and equipment and ROU assets                          | 5, 6    | (2,124)          | (2,326)          |
| Purchase of intangible assets                                                     | 7       | (15,436)         | (16,226)         |
| Proceeds of sale of assets                                                        |         | -                | 4                |
| <b>Net cash outflow from investing activities</b>                                 |         | <b>(17,560)</b>  | <b>(18,548)</b>  |
| <b>Cash flows from financing activities</b>                                       |         |                  |                  |
| Principal element of finance lease payments                                       | 6       | (764)            | (565)            |
| Net Parliamentary funding – drawn down                                            | SoCTE   | 12,100           | 21,200           |
| <b>Net cash inflow from financing activities</b>                                  |         | <b>11,336</b>    | <b>20,635</b>    |
| <b>Net increase/(decrease) in cash and cash equivalents in the period</b>         |         | <b>(4,159)</b>   | <b>28,146</b>    |
| Cash and cash equivalents as at the start of the period                           |         | 37,509           | 9,363            |
| <b>Cash and cash equivalents as at the end of the period</b>                      |         | <b>33,350</b>    | <b>37,509</b>    |

The accompanying notes form part of the financial statements.

# Statement of changes in taxpayers' equity for the year ending 31 March 2026

| Note                                       | General fund<br>£'000 | Total reserves<br>£'000 |
|--------------------------------------------|-----------------------|-------------------------|
| <b>Balance as at 1 April 2024</b>          | <b>47,060</b>         | <b>47,060</b>           |
| Comprehensive net income for the year      | 22,328                | 22,328                  |
| Net Parliamentary funding—drawn down       | 21,200                | 21,200                  |
| Non-cash charges—auditor's remuneration    | 83                    | 83                      |
| <b>Balance as at 31 March 2025</b>         | <b>90,671</b>         | <b>90,671</b>           |
| <b>Balance as at 1 April 2025</b>          | <b>90,671</b>         | <b>90,671</b>           |
| Comprehensive net expenditure for the year | (1,468)               | (1,468)                 |
| Net Parliamentary funding—drawn down       | 12,100                | 12,100                  |
| Non-cash charges—auditor's remuneration    | 117                   | 117                     |
| <b>Balance as at 31 March 2026</b>         | <b>101,420</b>        | <b>101,420</b>          |

The general fund serves as the chief operating fund. We use the general fund to account for all financial resources except those we are required to account for separately, such as net parliamentary funding and non-cash charges relating to auditor's remuneration.

The accompanying notes form part of the financial statements.



# Notes to the accounts for the year ending 31 March 2026

## 1. Statement of accounting policies

### 1.1 Basis of accounting

Companies House has used applicable law and UK adopted international accounting standards as the financial reporting framework in the preparation of the financial statements. We have prepared these financial statements in accordance with the International Financial Reporting Standards (IFRS) as adapted and interpreted by HM Treasury's (HMT) Government Financial Reporting Manual: 2025 to 2026 (FReM) and as set out in the Accounts Direction to the Department for Business and Trade (DBT) according to section 5(2) of the Government Resources and Accounts Act 2000 (GRAA). Where the FReM permits a choice of accounting policy, the policy selected is that judged to be most appropriate to the particular circumstances of the DBT Departmental Group for the purpose of giving a true and fair view. We have described the policies that Companies House has adopted below and applied them consistently to items considered material to the accounts. Companies House is domiciled in the UK.

The agency is considered a going concern in accordance with the requirements of the Government Financial Reporting Manual (FReM) and International Accounting Standard (IAS) 1, on the basis that it is a statutory body performing functions and services in accordance with legislation that is expected to continue into the future. Income is generated through regulated fees, with additional funding underwritten by its parent department, DBT, to support enforcement and transformation services. Therefore, it is considered appropriate for the financial statements to be prepared on a going concern basis.



## **1.2 Accounting convention**

Companies House has prepared these accounts under the historical cost convention modified to measure property, plant and equipment, intangibles, investment properties and financial instruments at fair value to the extent required or permitted under IFRS as set out in these accounting policies.

## **1.3 Presentational currency**

The financial statements are presented in pounds sterling, the functional currency of Companies House. We have translated transactions denominated in a foreign currency into sterling at the rate of exchange on the date of each transaction. In preparing the financial statements, we have translated monetary assets and liabilities denominated in foreign currencies at the rates prevailing at the reporting date. All translation differences of monetary assets and liabilities are included in net income for the year.

## **1.4 Significant accounting judgements, estimates and assumptions**

Management must make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses to prepare the financial statements in conformity with the IFRS. Actual results may differ from these estimates.

We review estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

No significant accounting estimates were identified in the current year.

## 1.5 New and amended standards adopted

### Non-investment assets—valuation and accounting

In December 2023, HM Treasury issued an exposure draft setting out changes to the valuation and accounting treatment of non-investment assets, including property, plant and equipment and intangible assets. These changes have been incorporated into the Government Financial Reporting Manual (FReM) for mandatory application for the year ending 31 March 2026.

Management has assessed the revised requirements and concluded that there is no material impact on the valuation or accounting treatment of the entity's non-investment assets.

### IFRS 17 Insurance Contracts

IFRS 17 has replaced IFRS 4 Insurance Contracts and is mandatory to be applied from 2025 to 2026. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard.

Management has assessed the applicability of IFRS 17 and identified that the entity does not have any contracts that fall within the scope of the Standard. Accordingly, the adoption of IFRS 17 has no material impact on the financial statements for the year.

We have not adopted any other new standards in these financial statements.

## 1.6 Standards issued but not yet effective

### IFRS 18 Presentation and disclosure in financial statements

IFRS 18 Presentation and Disclosure in Financial Statements will replace International Accounting Standard (IAS) 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027 in the private sector. The public sector implementation date is not yet confirmed. We are still assessing the impact of IFRS 18 on our financial statements.

### IFRS 19 Subsidiaries without public accountability: disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and FRAB endorsement). The Standard permits certain eligible subsidiaries to apply reduced disclosure requirements when preparing their financial statements. IFRS 19 is not expected to have an impact on our financial statements.



## 1.7 Revenue recognition

Operating income represents fees and charges in respect of services provided. Operating income is made up of regulatory and search services. Regulatory and search services income is out of scope for Value Added Tax (VAT) purposes.

### Regulatory services

The recognition of regulatory fees depends on:

- the number of entities on the register, which drives annual confirmation statement filings
- the demand for limited liability incorporations, which drives incorporation applications
- external factors such as the economy, legislative changes and taxation policies, which drives dissolution
- the number of late filing penalties incurred which drive the income collected from DBT to reimburse costs relating to late filing penalty collection activities.

Companies House's income from regulatory activities are assessed under the IFRS 15 framework as follows:

- the fee is payable when the document is filed - the contract should commence at the date the document is filed
- for a fee to be payable, the filing company is required to submit the relevant transaction and pay the associated filing fee at the same time
- the performance obligation is typically satisfied when the document is filed
- the transaction price is fixed by fees order
- at each performance obligation, the transaction price is allocated to the transaction filed
- revenue is recognised when the relevant transaction is registered, which in effect is materially at the same time

### Search services

Many of Companies House's search services are available for free from the Companies House GOV.UK homepage, such as getting basic company information. Other services, such as ordering certified copies of certificates and documents, attract fees and are driven by user demand for the services. Companies House's income from search activities are assessed under the IFRS 15 framework as follows:

- the fee is payable on request for information
- the performance obligation arises when the information is provided
- the transaction price is fixed by fees order
- the performance obligation is the provision of the information requested
- revenue is recognised at the point of provision of the information which is materially the same time as the request

## **Other operating income**

Other operating income includes an amount recovered from DBT for running costs incurred by Companies House in respect of the charging, administration and collection of penalties raised on companies because of the late filing of accounts and civil sanctions. Income is recognised when expenditure is incurred. Any miscellaneous income, for example rent receivable, is classified as other operating income, and is recognised in the period to which it relates.

## **1.8 Staff costs**

Under IAS 19 Employee Benefits, we must record all staff costs as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end. The cost of untaken leave has been determined using data from leave records.

## **1.9 Taxation**

Companies House is exempt from corporation tax by way of Crown exemption. Companies House is not registered separately for VAT but falls within DBT registration. Irrecoverable VAT on expenditure is charged to the SoCNE and is capitalised in relation to the purchase of fixed assets.

## **1.10 Property, plant and equipment (PPE)**

Assets are capitalised as PPE if they are intended for use on a continuing basis and their original carrying value, on an individual or asset pool basis, exceeds the relevant capitalisation threshold of £2,000. All research expenditure is written off as incurred. Assets under construction which are integral to property leased from the Government Property Agency (GPA) are transferred to GPA when the asset is ready for use.

### **Valuation of PPE**

PPE is held at historical cost and assets under construction are held at cost. In accordance with the FReM, assets that have short, useful lives or are of low value are carried at depreciated historical cost less impairment as a proxy for fair value. The difference between these is not considered material to the accounts.

## Depreciation of PPE

PPE assets are depreciated to estimated residual values on a straight-line basis over the following estimated useful lives:

- leasehold improvements: over the life of the lease
- IT equipment: 2 to 5 years
- plant and machinery: 4 to 10 years

Depreciation will be charged for the full month in which the asset is capitalised.

## 1.11 Intangible assets

Intangible non-current assets are capitalised if:

- they are intended for use on a continuing basis
- their original carrying value, on an individual or asset pool basis, is over the relevant capitalisation threshold of £2,000

Companies House's intangible assets are valued at cost less any accumulated amortisation and any accumulated impairment losses.

In accordance with IAS 38 Intangibles, the policy on expenditure incurred on the replacement of Companies House's Core Information Processing System (CHIPS), and the web based front end system Companies House Service (CHS), is to capitalise only costs directly attributable to creating and developing the platform. Software development expenditure (covering the costs of third-party work and the direct costs of in-house staff effort) is capitalised when it is incurred on projects which will deliver future economic benefits. Intangible assets acquired separately are measured on initial recognition at cost.

Companies House adopt an agile project management methodology towards software development. Capitalisation ceases when all the activities that are necessary to prepare the asset for use are substantially complete and the asset can operate in the manner intended by management. Subsequent expenditure will be capitalised if it enhances the economic benefits potential of the asset.

Following changes to the Government Financial Reporting Manual (FReM), which are mandatory for the year ending 31 March 2026, intangible assets are carried at deemed historical cost.

## Amortisation of intangible assets

Amortisation commences at the point of commercial deployment over the asset's estimated useful economic life. The useful economic lives of CHIPS and CHS are regularly reassessed against our IT strategy and revised where necessary.

They are amortised on a straight-line basis over the following periods:

- CHIPS: 18 years
- CHS: 14 years
- IT projects: 3 to 10 years

## 1.12 Impairment of PPE and intangible assets

Companies House reviews carrying amounts at each reporting date. If an indicator for impairment occurs, then the recoverable amount of the asset (the higher of fair value less costs to sell and value in use) is estimated, and an impairment loss recognised to the extent that it is lower than the carrying amount. Losses arising from a clear consumption of economic benefit are charged to net expenditure for the year. Losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that a revaluation reserve exists for the impaired asset. Otherwise, to net expenditure for the year.

## 1.13 Cash and cash equivalents

Cash and cash equivalents comprise current balances with banks and other financial institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Any bank overdraft amounts are included within trade payables and other liabilities.

## 1.14 Leases

### Recognition and measurement

In accordance with IFRS 16, a lease is recognised when a contract, or part of a contract, conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

All leases are recognised as finance leases with exemption given to low value leases and short-term leases:

- leases with “low value” de minimis threshold of £10,000 or
- lease terms of less than 12 months.

For recognised leases, this results in the recognition of right-of-use assets, measured at the present value of future lease payments, and corresponding lease liabilities in the Statement of Financial Position (SoFP).

The right of use assets are measured at cost, which comprises the initial amount of the lease liability adjusted for initial direct costs, prepayments or incentives, and costs related to restoration at the end of a lease. The revaluation model is used as the subsequent measurement basis for the class of right of use assets relating to buildings, using cost as an appropriate proxy for current value in existing use or fair value where there is not a material difference and engaging professional valuers where otherwise.

After the commencement date (the date that the lessor makes the underlying asset available for use by Companies House), Companies House measures the lease liability by:

- increasing the carrying amount to reflect interest
- reducing the carrying amount to reflect lease payments made
- remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in substance fixed lease payments.

We remeasure the lease liability if there is a change in the:

- lease term
- assessment of purchase option
- amounts expected to be payable under a residual value guarantee
- future payments resulting from changes in an index or rate

### **Valuation of right of use assets**

As outlined in the FReM, the subsequent measurement basis of right of use assets should be consistent with the principles for subsequent measurement of owned property, plant and equipment set out in the FReM adaptations to IAS 16.

Accordingly, right of use assets are measured at current value in existing use. Leases of buildings which give rise to right of use assets with a lower value or shorter lease term, are held using the cost measurement model as a proxy for current value in existing use.

Current value in existing use for all other right of use assets is determined using professional valuations in accordance with the Royal Institution of Chartered Surveyors' (RICS) valuation standards. The full replacement cost of the right of use assets are calculated by identifying the current market rental value that could be achieved for existing use of the right of use asset and capitalising it for the full remaining lease term from the valuation date. The valuation should reflect the terms and conditions of the lease giving rise to the right of use asset and should reflect an assumption that Companies House requires the use of the entire right of use asset.

Any revaluation gains or losses are treated in accordance with the principles for owned property, plant and equipment, set out in the FReM adaptations to IAS 16.



## 1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the statement of financial position when Companies House becomes a party to the contractual provisions of an instrument.

There are no derivative financial instruments, financial instruments held for trading or financial instruments classified as held for sale.

### Financial assets

Companies House hold financial assets in the following categories:

- receivables held at amortised cost
- cash and cash equivalent

Both receivables and cash and cash equivalents are held at amortised cost.

### Financial liabilities

Companies House hold financial liabilities in the following categories:

- trade payables
- accruals
- other payables

Trade payables, accruals and other payables are amounts established as due at the reporting date, but where payment is made subsequently. Since these balances are expected to be settled within 12 months of the reporting date there is no material difference between fair value, amortised cost and historical cost.

## 1.16 Pension costs

### Unfunded defined benefit pension schemes

Most past or present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and alpha (a new pension scheme introduced on 1 April 2015). These are defined benefit schemes open to participating public sector bodies in which the benefit the employee receives during retirement is dependent on factors such as age, length of service and salary. These schemes are administered by My CSP on behalf of the Cabinet Office.

Companies House pays contributions into these schemes at an agreed rate.



As one of many participating organisations, Companies House cannot identify its share of any liability for making future pension payments to members. Accordingly, Companies House accounts for this as if it were a defined contribution scheme and recognises the costs of these contributions when they fall due.

## **Defined contribution pension schemes**

Employees may choose to join a personal stakeholder pension scheme instead, if the scheme meets the minimum criteria set out by the government. These are defined contribution schemes where Companies House pays established contribution rates into a separate fund. The amount of pension benefit that a member receives in retirement depends on the performance of the fund. Companies House recognises the cost of these contributions in the SoCNE when they fall due. There is no further payment obligation for Companies House once the contributions have been paid.

## **1.17 Provisions**

A provision is recognised when it is probable that an outflow of economic benefits will be required to settle a present obligation (legal or constructive), that can be reliably measured, and which results from a past event. Where the time value of money is material, the provision is measured at present value using discount rates prescribed by HM Treasury.



## 2. Income from activities

|                                                 | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-------------------------------------------------|------------------|------------------|
| <b>Registration activities</b>                  |                  |                  |
| Confirmation statement                          | 159,549          | 138,580          |
| Incorporations                                  | 47,765           | 36,825           |
| Regulatory registration – Change of name        | 1,933            | 1,821            |
| Regulatory registration – Voluntary dissolution | 10,988           | 9,605            |
| Regulatory registration – ROE                   | 6,556            | 7,536            |
| Regulatory registration – Other                 | 9,738            | 7,149            |
| Funded – Late filing penalty activity           | 14,515           | 15,363           |
| Funded – Civil sanction activity                | 722              | 571              |
| <b>Sub total</b>                                | <b>251,766</b>   | <b>217,450</b>   |
| <b>Dissemination activities</b>                 |                  |                  |
| Companies House Direct                          | 38               | 41               |
| Certified copies                                | 2,050            | 1,894            |
| Other                                           | 70               | 82               |
| <b>Sub total</b>                                | <b>2,158</b>     | <b>2,017</b>     |
| <b>Other services</b>                           |                  |                  |
| Other                                           | 787              | 823              |
| <b>Sub total</b>                                | <b>787</b>       | <b>823</b>       |
| <b>Total as per operating account</b>           | <b>254,711</b>   | <b>220,290</b>   |



### 3. Staff costs

|                                          | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------|------------------|------------------|
| Salaries                                 | 80,348           | 57,880           |
| National Insurance                       | 10,230           | 5,911            |
| Pension costs                            | 21,825           | 15,698           |
| Contract staff                           | 16,165           | 13,991           |
| Capitalised staff costs                  | (512)            | (1,570)          |
| Capitalised contract staff project costs | (3,149)          | (3,131)          |
| <b>Staff costs per operating account</b> | <b>124,907</b>   | <b>88,779</b>    |

The total pension charge for the year totalled £21.8 million (2024 to 2025: £15.7 million).

For 2025 to 2026 the banded charges averaged 21.78% of pensionable pay for permanent staff (2024 to 2025: 27.76%). Within one of the civil service pension arrangements, permanent staff are allocated now at single rate of 29.0% of pensionable pay (2024 to 2025: 29.0%).

The entity expects to pay employer contributions at 29.0% of pensionable pay in the next reporting period.

Employer contributions are usually reviewed every 4 years following a full scheme valuation by the Government Actuary. The date of the last actuarial valuation was 31 March 2020. The contribution rates are set to meet the cost of the benefits accruing during 2025 to 2026 to be paid when the member retires and not the benefits paid during this period to existing pensioners. All other liabilities incurred in the year were satisfied by the year end. This is an unfunded multi-employer defined benefit scheme, but Companies House is unable to identify its share of the underlying assets and liabilities.

New career average pension arrangements were introduced from 1 April 2015 and the majority of classic, premium, classic plus and nuvos members joined the new scheme.

### 4. Non-staff administration costs

|                                       | 2025/26<br>£'000 | 2024/25<br>£'000 |
|---------------------------------------|------------------|------------------|
| Auditor's remuneration                |                  |                  |
| Audit services (non-cash transaction) | 117              | 83               |
| <b>Subtotal</b>                       | <b>117</b>       | <b>83</b>        |

Following Companies House's transition to a central government department, there is no cash fee payable for the audit of 2025 to 2026 Companies House's financial statements. Instead, there is a notional audit fee for 2025 to 2026 of £117,012 (2024 to 2025 notional fee: £82,900). This includes £43,980 for work carried out on the Trust Statement for 2025 to 2026 (2024 to 2025 notional fee: £20,725), £23,000 relates to audit overruns from the 2024 to 2025 financial year and £7,132 relates to audit overruns for 2025 to 2026 financial year. The NAO did not perform any non-audit services. This expense is charged within operating expenditure and recognised as a non-cash charge within the statement of changes in taxpayers' equity.

|                                                                          | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------------------------------------------------|------------------|------------------|
| <b>Administration costs</b>                                              |                  |                  |
| Chief Executive and senior managers' travel and subsistence              | 38               | 49               |
| Other employees travel and subsistence                                   | 311              | 214              |
| Staff related costs                                                      | 541              | 317              |
| Recruitment and training                                                 | 1,360            | 1,307            |
| Printing and stationery                                                  | 7,360            | 5,410            |
| Communications and awareness                                             | 759              | 561              |
| Maintenance contracts/leases                                             | 4,995            | 4,107            |
| Repair and maintenance - buildings                                       | 1,010            | 899              |
| Accommodation cost                                                       | 1,074            | 922              |
| Property rental                                                          | (21)             | 171              |
| Office equipment                                                         | 257              | 227              |
| Software                                                                 | 11,577           | 9,252            |
| Professional services (including contact centre and costs of litigation) | 23,272           | 23,114           |
| The Insolvency Service – investigation and enforcement                   | 63,794           | 52,096           |
| Other administration costs                                               | 2,149            | 2,366            |
| <b>Subtotal</b>                                                          | <b>118,476</b>   | <b>101,012</b>   |
| <b>Non-cash items</b>                                                    |                  |                  |
| Depreciation and amortisation                                            | 10,931           | 7,684            |
| Impairment                                                               | 1,777            | 291              |
| (Profit) / Loss on disposal of assets                                    | -                | (4)              |
| Provision expense                                                        | 0                | 136              |
| <b>Subtotal</b>                                                          | <b>12,708</b>    | <b>8,107</b>     |
| <b>Total non-staff administration costs</b>                              | <b>131,184</b>   | <b>109,119</b>   |

## 5. Property, plant and equipment

### 5.1 Property, plant and equipment 2025 to 2026

|                                               | Leasehold<br>improvement | Plant and<br>machinery | Computer<br>equipment | Total         |
|-----------------------------------------------|--------------------------|------------------------|-----------------------|---------------|
|                                               | £'000                    | £'000                  | £'000                 | £'000         |
| <b>Cost or valuation</b>                      |                          |                        |                       |               |
| <b>As at 1 April 2025</b>                     | <b>103</b>               | <b>578</b>             | <b>19,657</b>         | <b>20,338</b> |
| Additions                                     | 135                      | -                      | 1,989                 | 2,124         |
| Disposals / write offs                        | -                        | -                      | (492)                 | (492)         |
| <b>As at 31 March 2026</b>                    | <b>238</b>               | <b>578</b>             | <b>21,154</b>         | <b>21,970</b> |
| <b>Depreciation</b>                           |                          |                        |                       |               |
| <b>As at 1 April 2025</b>                     | <b>103</b>               | <b>491</b>             | <b>17,805</b>         | <b>18,399</b> |
| Charged in year                               | -                        | 48                     | 1,979                 | 2,027         |
| Disposals / write offs                        | -                        | -                      | (492)                 | (492)         |
| <b>As at 31 March 2026</b>                    | <b>103</b>               | <b>539</b>             | <b>19,292</b>         | <b>19,934</b> |
| <b>Net book value as at<br/>31 March 2026</b> | <b>135</b>               | <b>39</b>              | <b>1,862</b>          | <b>2,036</b>  |
| <b>Net book value as at<br/>31 March 2025</b> | <b>-</b>                 | <b>87</b>              | <b>1,852</b>          | <b>1,939</b>  |



## 5.2 Property, plant and equipment 2024 to 2025

|                                               | Leasehold<br>improvement | Plant and<br>machinery | Computer<br>equipment | Total         |
|-----------------------------------------------|--------------------------|------------------------|-----------------------|---------------|
|                                               | £'000                    | £'000                  | £'000                 | £'000         |
| <b>Cost or valuation</b>                      |                          |                        |                       |               |
| <b>As at 1 April 2024</b>                     | <b>103</b>               | <b>578</b>             | <b>18,597</b>         | <b>19,278</b> |
| Additions                                     | -                        | -                      | 2,136                 | 2,136         |
| Disposals / write offs                        | -                        | -                      | (1,076)               | (1,076)       |
| <b>As at 31 March 2025</b>                    | <b>103</b>               | <b>578</b>             | <b>19,657</b>         | <b>20,338</b> |
| <b>Depreciation</b>                           |                          |                        |                       |               |
| <b>As at 1 April 2024</b>                     | <b>103</b>               | <b>441</b>             | <b>17,344</b>         | <b>17,888</b> |
| Charged in year                               | -                        | 50                     | 1,537                 | 1,587         |
| Disposals / write offs                        | -                        | -                      | (1,076)               | (1,076)       |
| <b>As at 31 March 2025</b>                    | <b>103</b>               | <b>491</b>             | <b>17,805</b>         | <b>18,399</b> |
| <b>Net book value as at<br/>31 March 2025</b> | <b>-</b>                 | <b>87</b>              | <b>1,852</b>          | <b>1,939</b>  |
| <b>Net book value as at<br/>31 March 2024</b> | <b>-</b>                 | <b>137</b>             | <b>1,253</b>          | <b>1,390</b>  |

## 6. Leases

### 6.1 Leases as a lessee

All Companies House leases relate to property leases. They relate to the lease of the Crown Way office in Cardiff and the Belfast and Edinburgh offices from GPA.

|                               | Buildings<br>£'000 | Total<br>£'000 |
|-------------------------------|--------------------|----------------|
| <b>Right of use assets</b>    |                    |                |
| <b>As at 1 April 2025</b>     | <b>2,702</b>       | <b>2,702</b>   |
| Additions                     | -                  | -              |
| Depreciation expense to SoCNE | (667)              | (667)          |
| Remeasurement                 | 507                | 507            |
| Impairment                    | -                  | -              |
| <b>As at 31 March 2026</b>    | <b>2,542</b>       | <b>2,542</b>   |

All of the property leases give rise to right of use assets with a lower value or shorter lease term and are held using the cost measurement model as a proxy for current value in existing use.

|                            | Buildings<br>£'000 | Total<br>£'000 |
|----------------------------|--------------------|----------------|
| <b>Lease liabilities</b>   |                    |                |
| <b>As at 1 April 2025</b>  | <b>(2,730)</b>     | <b>(2,730)</b> |
| Additions                  | -                  | -              |
| Rent repayments            | 764                | 764            |
| Interest expense to SoCNE  | (88)               | (88)           |
| Remeasurement              | (507)              | (507)          |
| <b>As at 31 March 2026</b> | <b>(2,561)</b>     | <b>(2,561)</b> |

The lease term for the Cardiff office was for a total of 15 years with an end date of 31 March 2036 under a Freehold Occupancy Agreement (FOA). An 18-month break option had been exercised giving notice to reduce the footprint from 1 April 2024 by 73%. The reduction in space is to support transformation activity. A Terms of Occupancy Agreement (TOA) with GPA was signed for a period of 5 years from 1 April 2024 and superseded by



another TOA from 1 April 2025 for a period of 4 years. This is in turn superseded by a variation to TOA from 1 April 2026 for a period of 4 years. We are reasonably certain that we will not exercise a rolling 1 year break option and have accounted for this over its full lease term to 31 March 2030.

A Memorandum of Terms of Occupation (MOTO) was signed on a property lease for an office in Edinburgh with HMRC for a period of 21 years commencing 31 August 2023. The MOTO was transferred to GPA on the 1 January 2024. In March 2026, a new MOTO agreement was entered into with HMRC, under which property services for the Edinburgh office will be managed by GPA with effect from 1 April 2026. The new agreement retains the same lease term, commencement date, and break options as the original lease agreement that commenced on 31 August 2023. We are reasonably certain that the rolling five-year break option will be exercised in 2033 and have accounted for this over a 10-year lease term to 30 August 2033.

A TOA was signed on a property lease for an office in Belfast with GPA for a period of 20 years commencing 29 July 2024. In March 2026, a new MOTO agreement was entered into with HMRC, under which property services for the Belfast office will be managed by GPA with effect from 1 April 2026. The new agreement retains the same lease term, commencement date, and break options as the original lease agreement that commenced on 29 July 2024. We are reasonably certain that the rolling five-year break option will be exercised in 2034 and have accounted for this over a 10-year lease term to 28 July 2034.

The table below analyses Companies House's lease liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

|                                                 | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-------------------------------------------------|------------------|------------------|
| <b>Amounts due</b>                              |                  |                  |
| Not later than 1 year                           | 621              | 776              |
| Later than 1 year and not later than 5 years    | 1,947            | 2,202            |
| Later than 5 years                              | 340              | -                |
| Discounted using the incremental borrowing rate | (347)            | (248)            |
| <b>Total lease liability</b>                    | <b>2,561</b>     | <b>2,730</b>     |

## 7. Intangible assets

### 7.1 Intangible assets 2025 to 2026

Intangible assets include software and the associated implementation costs.

|                                           | Software<br>£'000 | Assets under<br>construction<br>£'000 | Total<br>£'000 |
|-------------------------------------------|-------------------|---------------------------------------|----------------|
| <b>Cost or valuation</b>                  |                   |                                       |                |
| <b>As at 1 April 2025</b>                 | <b>106,461</b>    | <b>23,330</b>                         | <b>129,791</b> |
| Additions                                 | -                 | 15,436                                | 15,436         |
| Impairment                                | -                 | (1,777)                               | (1,777)        |
| Reclassifications                         | 27,007            | (27,007)                              | -              |
| <b>As at 31 March 2026</b>                | <b>133,468</b>    | <b>9,982</b>                          | <b>143,450</b> |
| <b>Amortisation</b>                       |                   |                                       |                |
| <b>As at 1 April 2025</b>                 | <b>79,602</b>     | <b>-</b>                              | <b>79,602</b>  |
| Charged in year                           | 8,237             | -                                     | 8,237          |
| Impairment                                | -                 | -                                     | -              |
| <b>As at 31 March 2026</b>                | <b>87,839</b>     | <b>-</b>                              | <b>87,839</b>  |
| <b>Net book value as at 31 March 2026</b> | <b>45,629</b>     | <b>9,982</b>                          | <b>55,611</b>  |
| <b>Net book value as at 31 March 2025</b> | <b>26,859</b>     | <b>23,330</b>                         | <b>50,189</b>  |

£0.3 million (2024 to 2025: £0.4 million) of the closing Net Book Value (NBV) relates to CHIPS, and £46 million (2024 to 2025: £26.5 million) of the closing NBV relates to other in-house projects. The remaining amortisation period for these assets is 1 to 8 years.

In accordance with Companies House's policy, all intangible assets were reviewed throughout the year and at year end for impairment.

## 7.2 Intangible assets 2024 to 2025

Intangible assets are software and the associated implementation costs.

|                                           | Software<br>£'000 | Assets under<br>construction<br>£'000 | Total<br>£'000 |
|-------------------------------------------|-------------------|---------------------------------------|----------------|
| <b>Cost or valuation</b>                  |                   |                                       |                |
| <b>As at 1 April 2024</b>                 | <b>92,489</b>     | <b>21,892</b>                         | <b>114,381</b> |
| Additions                                 | -                 | 16,026                                | 16,026         |
| Impairment                                | (616)             | -                                     | (616)          |
| Reclassifications                         | 14,588            | (14,588)                              | -              |
| <b>As at 31 March 2025</b>                | <b>106,461</b>    | <b>23,330</b>                         | <b>129,791</b> |
| <b>Amortisation</b>                       |                   |                                       |                |
| <b>As at 1 April 2024</b>                 | <b>74,380</b>     | <b>-</b>                              | <b>74,380</b>  |
| Charged in year                           | 5,547             | -                                     | 5,547          |
| Impairment                                | (325)             | -                                     | (325)          |
| <b>As at 31 March 2025</b>                | <b>79,602</b>     | <b>-</b>                              | <b>79,602</b>  |
| <b>Net book value as at 31 March 2025</b> | <b>26,859</b>     | <b>23,330</b>                         | <b>50,189</b>  |
| <b>Net book value as at 31 March 2024</b> | <b>18,109</b>     | <b>21,892</b>                         | <b>40,001</b>  |

## 8. Trade receivables and other current assets

|                                | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------|------------------|------------------|
| Trade receivables              | 12,325           | 8,655            |
| Other receivables              | 8,400            | 6,971            |
| Prepayments and accrued income | 6,726            | 7,072            |
| Amounts due from DBT           | 6,196            | 15,406           |
| <b>Total</b>                   | <b>33,647</b>    | <b>38,104</b>    |

No amounts fall due after more than one year (2024 to 2025: Nil).

## 9. Cash and cash equivalents

|                                                            | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------------------------|------------------|------------------|
| <b>Balance as at 1 April</b>                               | <b>37,509</b>    | <b>9,363</b>     |
| Net change in cash and cash equivalent balances            | (4,159)          | 28,146           |
| <b>Balance as at 31 March</b>                              | <b>33,350</b>    | <b>37,509</b>    |
| <b>The following balances as at 31 March were held at:</b> |                  |                  |
| Government Banking Service—Companies House                 | 31,323           | 36,337           |
| Commercial banks and cash in hand—Companies House          | 2,027            | 1,172            |
| <b>Balance as at 31 March</b>                              | <b>33,350</b>    | <b>37,509</b>    |



## 10. Trade payables and other current liabilities

|                                            | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------------------|------------------|------------------|
| <b>Amounts falling due within one year</b> |                  |                  |
| Trade payables                             | 5,998            | 5,706            |
| Accruals and customer prepayments          | 12,140           | 8,949            |
| Other payables                             | 5,067            | 22,001           |
| <b>Total</b>                               | <b>23,205</b>    | <b>36,656</b>    |

No amounts fall due after more than one year (2024 to 2025: Nil).

## 11. Provisions for liabilities and charges

|                                     | Dilapidation provision<br>for lease assets<br>£'000 | Provision for<br>efficiency departure<br>compensation<br>£'000 | Total<br>£'000 |
|-------------------------------------|-----------------------------------------------------|----------------------------------------------------------------|----------------|
| <b>Balance as at 1 April 2025</b>   | <b>249</b>                                          | <b>137</b>                                                     | <b>386</b>     |
| Provisions additions in the year    | 1                                                   | -                                                              | 1              |
| Provisions utilised in the year     | (250)                                               | (134)                                                          | (384)          |
| Provisions written back in the year | -                                                   | (3)                                                            | (3)            |
| <b>Balance as at 31 March 2026</b>  | <b>-</b>                                            | <b>-</b>                                                       | <b>-</b>       |

The dilapidation provision relates to leased property asset in Belfast. The provision for compensation under efficiency departure relates to an employee's termination on the grounds of capability.

## 12. Financial commitments

The total payments to which the agency is committed are as follows:

|                                                   | 2025/26<br>£'000 | 2024/25<br>£'000 |
|---------------------------------------------------|------------------|------------------|
| Not later than one year                           | 78,705           | 40,661           |
| Later than one year and not later than five years | 55,598           | 34,106           |
| <b>Total</b>                                      | <b>134,303</b>   | <b>74,767</b>    |

Financial commitments include the use of Digital Data and Technology (DDAT) partner and interim and contingent labour services to support the delivery of our transformation programme, new legislative reform and management of vacancies.

This includes the following material commitments:

|                                                     | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-----------------------------------------------------|------------------|------------------|
| Interim and contingent labour services              | 58,110           | 704              |
| DDAT delivery—Consultancy and professional services | 17,137           | 28,398           |
| Contact centre services                             | 11,702           | 3,452            |
| Debt collection service                             | 8,518            | 8,284            |
| Finance platform and cloud hosting                  | 8,181            | 5,718            |
| Outsourced print and mail services                  | 6,326            | 1,327            |

Contracts for cyber security and software support and licence were material in 2024 to 2025, but are no longer material in 2025 to 2026 and have therefore been excluded from the table above.

## 13. Financial instruments

IFRS 7 requires Companies House to disclose information on the significance of financial instruments to its financial position and performance.

Companies House is exposed to credit risk resulting from the non-payment of debts relating to private sector customers. We review our debtors on a frequent basis to ensure that we minimise this risk and provide for debts we believe not to be fully recoverable. We have cash balances held with the Government Banking Service.



We do not believe that we have a foreign exchange rate risk as all material assets and liabilities are denominated in pound sterling, so we are not exposed to any significant currency risk.

We do not believe we are exposed to market risk as Companies Houses' fees are set by the fees model. Fees charged for services are set in accordance with the organisation's approved fees model and are not subject to market-driven fluctuations.

As a result, income streams are not directly affected by changes in market conditions such as supply and demand, pricing competition, or volatility in financial markets. The fees model is designed to recover costs and is subject to government approval, providing a stable and predictable basis for income.

Accordingly, Companies House has limited exposure to market risk in respect of its financial instruments and operating activities.

We do not believe we are exposed to liquidity risk as Companies House is centrally funded by DBT through the spending review.

## 14. Related party transactions

Companies House is an executive agency of DBT. DBT is regarded as a related party, and during this financial year, Companies House has had various material transactions with the divisions of the department including the receipt of Grant-in-aid of £12.1 million (2024 to 2025: £21.2 million).

The Insolvency Service is an executive agency of DBT. The increase in fees from 1 May 2024 and 1 February 2026 is used to fund the investigation and enforcement work undertaken to implement the new measures of The Economic Crime and Corporate Transparency Act 2023 (ECCTA). During the financial year £63.8 million (2024 to 2025: £52.1 million) was expensed with £6.0 million (2024 to 2025: £5.3 million) outstanding as at 31 March 2026.

Companies House also had transactions with other central government bodies, most of which have been with GPA, Financial Reporting Council and HMRC.

None of the board members (including their close family members) or senior managers have undertaken any transactions with Companies House during the year.



## 15. Subsequent events

There have been no significant events between the statement of financial position and the date of authorising these financial statements.

The Accounting Officer authorised the accounts for issue on the date of the certificate of the Comptroller and Auditor General.



# 04

## Trust statement: Late Filing Penalties and Civil Sanctions 2025 to 2026





# Foreword by the Accounting Officer

## Scope

This Trust Statement reports on the revenue, expenditure, assets and liabilities required for, or generated by the operation of, the late filing penalty (LFP) and the civil sanction penalty scheme during the financial year. The penalties collected are paid into HM Treasury's Consolidated Fund. The Department for Business and Trade (DBT) funds the costs of issuing, collecting, and enforcing the scheme. Companies House invoices DBT for the cost of administering the scheme.

## Statutory background

### Late filing penalties

The purpose of the late filing penalty (LFP) scheme is to promote the timely delivery of accounts to Companies House. Penalties were first introduced in 1992 in response to increasing public concern about the number of companies that failed to file their accounts on time or at all. It was thought that the prospect of incurring a penalty would be an incentive for companies to file on time.

A company that delivers its accounts late is liable to a LFP. This is a civil penalty that arises automatically by operation of law (section 453(1) of the Companies Act 2006 (the "Act")). The amount of penalty due is calculated by reference to the date upon which the accounts are finally delivered, the longer the period of default, the greater the penalty. A public company is liable to pay a greater penalty than a private company for the same period of default. A company which is late in filing its accounts in two consecutive years incurs in the second year twice the penalty to which it would otherwise be liable. The Companies (Late Filing Penalties) and Limited Liability Partnerships (Filing Periods and Late Filing Penalties) Regulations 2008 (SI 2008/497) prescribe the penalties payable.

LFPs are collected by the Registrar under section 453(3) of the Companies Act 2006. The Registrar of Companies for England and Wales collect the penalties incurred by companies registered in England and Wales. The Registrar of Companies for Scotland and the Registrar of Companies for Northern Ireland collect the penalties in Scotland and Northern Ireland respectively. The three Registrars pay the penalties recovered into the Consolidated Fund (section 453(3)).



The Registrars do not have the power to cancel a penalty once it has accrued. There is limited discretion not to collect a LFP (section 453(3) says that a penalty may be recovered by the Registrar). This discretion is exercised only in exceptional circumstances. If the discretion is exercised in favour of a company so that it is not required to pay, the penalty not collected is offset against penalty income in the statement of revenue, other income and expenditure.

Limited liability partnerships (LLPs) are also subject to the LFP scheme (The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (SI 2008/2011)). The LFP scheme is operated in the same way for companies and LLPs. This report uses “companies” to cover both.

### **Civil sanctions (financial penalties)**

The Economic Crime (Transparency and Enforcement) Act 2022 received Royal Assent on the 15 March 2022. This introduced a new register, the Register of Overseas Entities (ROE) which came into force on the 1 August 2022, to capture information about beneficial ownership of overseas entities that own UK land. The act sets out that an overseas entity that owns land in the scope of the act, or is proposing to own land in the UK, must register with the Registrar of Companies for England and Wales. Most overseas entities were obliged to register on the ROE by 31 January 2023 with civil sanctions imposed for non-compliance.

The Economic Crime and Corporate Transparency Act 2023 (ECCT Act) received Royal Assent on 26 October 2023. This has reformed the role and the powers of the Registrar of Companies to tackle money laundering and other economic crime and improve transparency over corporate entities. This has increased the scope of criminal offences and introduced a civil sanctions regime for non-compliance with the reforms. The new measures were introduced from the 4 March 2024.

The Economic Crime and Corporate Transparency Act 2023 (Financial Penalty) Regulations 2024 are a set of regulations that provide detailed provisions related to financial penalties, appeals, and enforcement for companies registered under the Companies Act 2006.



A civil sanction involves the registrar issuing a financial penalty for non-compliance as an alternative to criminal prosecution for both the ROE and non-ROE related reforms.

The non-ROE financial penalties are governed by The Economic Crime and Corporate Transparency Act 2023 (Financial Penalty) Regulations 2024.

The financial penalties in ROE are governed by The Register of Overseas Entities (Penalties and Northern Ireland Dispositions) Regulations 2023.

A financial penalty may be imposed where the registrar determines beyond reasonable doubt that a person has engaged in conduct that would amount to a relevant offence under the Companies Act 2006. The financial penalty regime will sit alongside possible criminal sanctions, so that in all cases the registrar will have the discretion to choose to pursue a financial penalty or pass to law enforcement to consider a criminal sanction. This will enable the registrar to impose a financial penalty directly, as an alternative to pursuing criminal prosecution through the courts. The new financial penalties regime will not allow for criminal prosecution for an offence which is pursued through a civil route. It is envisaged that the criminal route will be more likely to be used only in more egregious cases.

In addition to ROE, government is also amending or creating offences in relation to:

- the Registrar of Companies' new powers
- new requirements for ACSPs
- identity verification
- company names
- limited partnerships
- false statement offences
- the protection of personal information
- the transparency of ownership

The first civil sanction was a ROE failure to register penalty issued on the 28 July 2023.

# Financial background

## Late filing penalties

The income collected by way of LFPs is not used to meet the expenditure incurred by Companies House in administering the LFP scheme. The expenditure incurred is centrally funded by DBT and is disclosed as a note to the Companies House agency annual accounts.

On 1 February 2009, the penalty regime was amended. The penalties were increased and at the same time, the period allowed for filing accounts at Companies House was shortened. Double penalties were also introduced, so where a company files its accounts late in two successive years, it is liable to double the penalty otherwise due in the second year.

Unlike previous Companies Acts, the Act extended to companies registered in Northern Ireland with effect from 1 October 2009. On that date, the Northern Ireland Companies Registry joined Companies House. The LFPs collected by the Registrar of Northern Ireland have been included in the results and appropriations.

From 1 February 2009 to date, as per Companies Act 2006, the initial penalty value levied is as follows:

| How late the accounts are delivered           | Penalty:<br>Private company / LLP | Penalty:<br>PLC |
|-----------------------------------------------|-----------------------------------|-----------------|
| Not more than 1 month                         | £150                              | £750            |
| More than 1 month but not more than 3 months  | £375                              | £1,500          |
| More than 3 months but not more than 6 months | £750                              | £3,000          |
| More than 6 months                            | £1,500                            | £7,500          |

## Civil sanctions (financial penalties)

The income collected by way of civil sanctions is not used to meet the expenditure incurred by Companies House in administering the sanction scheme. The expenditure incurred is centrally funded by DBT and is disclosed as a note to the Companies House agency annual accounts.



When determining the financial penalty amount, the registrar will assess the culpability and the harm involved in each case. When assessing culpability, the registrar will consider factors including evidence of intent and previous penalties or conduct. For offences relating to the register, Companies House will use the estimated value of each property to assess the potential harm. The higher the calculated value of the property, the greater the scale of potential economic crime that could be facilitated by the offence, for example the risk of money laundering through the properties. Companies House will issue a penalty warning notice showing the total penalty for the properties.

Companies House does not hold independent valuations of properties or have the resources to value each property individually. The amount of the penalty is initially based on the property's Council Tax band, where this information is available.

## Register of Overseas Entities: approach to enforcement - GOV.UK

For non-ROE financial penalties (ECCT Act), the following ranges will be applied based on the severity of the offence when assessing harm:

| Offences             | Minor offence | Serious offence | Very serious offence |
|----------------------|---------------|-----------------|----------------------|
| First penalty        | £250          | £500            | £750                 |
| Second penalty       | £500          | £750            | £1,000               |
| Third penalty        | £750          | £1,000          | £1,500               |
| Subsequent penalties | £1,000        | £1,500          | £2,000               |

For offences relating to ROE, the value of an entity's property portfolio will be used as an estimate of the size of harm as follows:

| Property value | Penalty for each property |
|----------------|---------------------------|
| Low            | £10,000                   |
| Medium         | £20,000                   |
| High           | £50,000                   |

# Business review and performance

## Late filing penalties

The 2025 to 2026 financial year has seen an increase in the numbers of penalties levied.

During the financial year 303,412 penalties were levied (2024 to 2025: 297,682), which is an increase of 5,730 (2%) on the previous year. However, the average income per penalty decreased from £528 in 2024 to 2025 to £516 in 2025 to 2026. This resulted in a decrease in the total value of penalties, totalling £156.6 million (2024 to 2025: £157.2 million).

A total of 73,374 double penalties (2024 to 2025: 75,062) were levied with a value of £77.9 million (2024 to 2025: £79.6 million) against companies who had filed their accounts late for two successive years or more.

|                   | 2025/26<br>Number of<br>penalties<br>'000 | 2025/26<br>£'000 | 2024/25<br>Number of<br>penalties<br>'000 | 2024/25<br>£'000 |
|-------------------|-------------------------------------------|------------------|-------------------------------------------|------------------|
| England and Wales | 284                                       | 145,981          | 279                                       | 147,146          |
| Scotland          | 14                                        | 7,823            | 14                                        | 7,537            |
| Northern Ireland  | 5                                         | 2,595            | 5                                         | 2,532            |
| <b>Total</b>      | <b>303</b>                                | <b>156,399</b>   | <b>298</b>                                | <b>157,215</b>   |

LFP has seen a continual increase in gross debt since the pandemic, however gross debt relating to penalties levied decreased from £177.6 million last year to £135.3 million. During the 2020 to 2021 financial year, we suspended our debt collection activities in response to the COVID-19 pandemic. As a result, in order to deal with the backlog of collections, we have continued to expand our internal debt collection activities and the number of debts placed with our debt collection agency.

As a result of our debt collection efforts, during 2025 to 2026 we collected a total of £93.2 million of cash from revenue activities (2024 to 2025: £86.5 million).

### Civil sanctions (financial penalties)

During the financial year there was 1 ROE financial penalty levied and 19 ROE financial penalties reversed. This includes penalties imposed for a failure to register and reversed for both a failure to register and failure to update. During the financial year there were 703 financial penalties levied for failure to deliver a confirmation statement under ECCT Act (2024 to 2025: 278). These financial penalties were levied to maintain the integrity of the register.

|                         | 2025/26<br>Number of<br>penalties | 2025/26<br>£'000 | (Restated) <sup>1</sup><br>2024/25<br>Number of<br>penalties | (Restated) <sup>1</sup><br>2024/25<br>£'000 |
|-------------------------|-----------------------------------|------------------|--------------------------------------------------------------|---------------------------------------------|
| ROE—Failure to register | (17)                              | (610)            | (24) <sup>2</sup>                                            | (1,120) <sup>2</sup>                        |
| ROE—Failure to update   | (1)                               | (5)              | -                                                            | -                                           |
| ROE—Interest charges    | -                                 | (58)             | -                                                            | -                                           |
| Register integrity      | 703                               | 176              | 278                                                          | 70                                          |
| <b>Total</b>            | <b>685</b>                        | <b>(497)</b>     | <b>254</b>                                                   | <b>(1,050)</b>                              |

1. These line items for 2024/25 have been restated to correct inconsistencies between the previously disclosed amounts and the rest of the financial statements. This was a disclosure misstatement only. There is no impact on the amounts reported in primary statements for the year ended 31 March 2025 from this matter.
2. The number and value of penalties reversed have been restated, increasing from 2 penalties totalling £40,000 to 24 penalties totalling £1,120,000. See Note 2.2 for further details.

## Results and appropriations

The net revenue for the Consolidated Fund was £78.4 million (2024 to 2025: £84.3 million). The transfer of receipts to the Consolidated Fund from the Trust in the year was £96.3 million (2024 to 2025: £83.3 million) which left a balance due to the Consolidated Fund of £53.5 million (2024 to 2025: £71.4 million). See the accompanying Trust Statement.



# Case handling

## Late filing penalties

During the financial year 56,888 (2024 to 2025: 53,737) appeals were received against penalties levied.

As at 31 March 2026, the Registrars had applied limited discretion not to collect £5.3 million of penalties levied under section 453(3) of the Companies Act 2006 (2024 to 2025: £4.4 million). This equates to 3.4% as a percentage of total penalties levied (2024 to 2025: 2.8%), which is offset against penalty income in the statement of revenue, other income and expenditure.

The internal teams worked hard to respond to these appeals, reducing backlog of LFP appeals of approximately 7,000 as at 31 March 2025 to approximately 1,500 as at 31 March 2026. A provision of £0.1 million has been recognised for the debts which have an appeal outstanding as at 31 March 2026 and where the Registrars expect to apply exceptional discretion not to collect a LFP (section 453(3) of the Companies Act).

## Civil sanctions (financial penalties)

During the financial year 16 appeals and representations were received against ROE financial penalties levied (2024 to 2025: 18) and 65 representations were received against Register Integrity financial penalties levied in 2025 to 2026.

As at 31 March 2026, I and my fellow registrars had applied limited discretion not to collect £0.02 million of penalties levied under regulation 6 of The Register of Overseas Entities (Penalties and Northern Ireland Dispositions) Regulations 2023 (2024 to 2025: £1.5 million) and £0.1 million due to an appeal to High Court (2024 to 2025: £0.8 million). This is offset against penalty income in the statement of revenue, other income and expenditure.



# Bad and doubtful debts

## Late filing penalties

It is the legal responsibility of the company's officers to ensure that accounts are prepared and delivered to Companies House on time under section 441 of the Companies Act 2006. Under section 453 of the Act, it is the company not the individual officers which incurs an LFP. Therefore, any enforcement action that is taken is against the company.

Companies House has engaged a debt collection agency to take enforcement action in respect of outstanding LFPs. Companies may be taken to court to enforce the penalty levied and any additional costs incurred are sought to be recovered from this process.

In addition to the amounts not collected due to the exercise of each Registrar's discretion, penalties are written off as unrecoverable where a company has been struck off or dissolved, or where there is no economic benefit in pursuing a debt from a defunct company. Penalties are also written off as unrecoverable where the debt is over four years old.

In 2025 to 2026 the total debt written off was £106.9 million (2024 to 2025: £80.2 million) of which 19% related to debt against companies which have now dissolved (2024 to 2025: 28%) and 73% exhausted through the debt collection process (2024 to 2025: 64%). During the year more debt was passed through the third-party debt collector due to an increase in budget. This resulted in an increase level of County Court Judgement (CCJ) and court activities and subsequent increased levels of debt write offs.

Assessing the level of expected credit losses in these uncertain times is challenging, but we consider the approach adopted is consistent with IFRS 9 requirements. The level of doubtful debt provision has decreased from £150 million to £108 million. The credit loss model includes the appeals backlog and end of strategy factors noted above and has been calculated in line with the accounting policy (see note 1 in financial statements).

## Civil sanctions (financial penalties)

Non-ROE civil sanctions (ECCT Act) are written off as unrecoverable where a company has been struck off or dissolved, or where there is no economic benefit in pursuing a debt from a defunct company. Penalties are also written off as unrecoverable where the debt is over 4 years old.

The registrar may seek to enforce the debt for ROE civil sanctions through the court if the financial penalty is not paid. A charging order can be placed on the entity's property assets through this process. This means that if the property is sold, the charging order will be paid before any of the proceeds of sale can be given to the debtor. This is the main route Companies House take to enforce ROE penalties, because the charge can be placed on



a UK property that is relevant to the Register. Given most entities or persons are based overseas, placing a charge on the UK property is considered the most viable option for debt recovery. We have commissioned a third party to provide legal services which facilitate both the charge application process and the associated court proceedings.

In 2025 to 2026 the total debt written off was £7.1 million (2024 to 2025: £0.7 million).

Assessing the level of expected credit losses in these uncertain times is challenging, but we consider the approach adopted is consistent with IFRS 9 requirements. The level of doubtful debt provision is £2.5 million (2024 to 2025: £2.1 million) and the credit loss model has been calculated in line with the accounting policy (See note 1). This relates to ROE penalties where debt can be enforced through the charging order mechanism. We understand that the debt can be recovered more than 10 years after the charge was created therefore expect to recover the significant proportion of outstanding debt over its lifetime.

## Independent adjudicators and appeals

The independent adjudicators' principal role is to deal with appeals against LFPs once they have passed through the first two internal stages at Companies House. The adjudicators also investigate complaints about delay, discourtesy and mistakes, and the way in which complaints have been handled by the Registrar. The Adjudicators' Report is published annually and is available on Companies House's website.

The independent adjudicators' principal role is to investigate complaints about delay, discourtesy and mistakes, and the way in which complaints have been handled by the Registrar. The adjudicators' report is published annually and is available on Companies House's website.

Appeals against civil sanctions can go through the county or high court irrespective of whether they have gone through the Companies House internal representation process. We have commissioned a third party to provide legal services in the defence of such appeals through support and representation.



## Court costs

On receipt of the payment for the court costs the money collected is transferred to Companies House to use in the further pursuit of companies via the courts. The amount of cash collected and owed to Companies House totalled £6.4 million (2024 to 2025: £4.5 million).

## Funding

DBT funds the administration of the scheme, including the cost of running the late filing penalty and civil sanction schemes and enforcing collection. Companies House invoices DBT for these costs, which are reported in the Companies House annual accounts (see note 10).

## Cash balances

Net cash inflow from revenue activities for the year was £107.5 million (2024 to 2025: £72.5 million inflow). After payments of £96.3 million to the Consolidated Fund (2024 to 2025: 83.3 million), the net increase in cash for the year was £11.2 million, taking cash balances at year end to £26.7 million (2024 to 2025: £15.5 million). Cash balances are managed in accordance with Treasury guidelines. Companies House transfers to the Consolidated Fund, on a monthly basis, the penalty income receipted.

## Audit service

The statutory external audit was performed by the National Audit Office (NAO) and reported on by the Comptroller and Auditor General. Following the transition to a central government department, there is no cash fee payable for the audit of the 2025 to 2026 Trust Statement. Instead, there is a notional audit fee for 2025 to 2026 of £43,980 (2024 to 2025 notional fee: £20,725). This includes £13,600 relating to audit overruns from the 2024 to 2025 financial year.



# Registrars

## England and Wales

Andy King

Chief Executive of Companies House and Registrar of Companies for England and Wales

## Scotland

Lisa Davis

Registrar of Companies for Scotland

## Northern Ireland

Ian McFarland

Registrar of Companies for Northern Ireland

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



# Statement of Accounting Officer's responsibilities

Under the Government Resources Accounts Act 2000, HM Treasury has directed Companies House to prepare a late filing penalty and civil sanction trust statement ("Trust Statement") for each financial year in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Companies House and of its income and expenditure, statement of financial position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the Trust Statement
- prepare the Trust Statement on a going concern basis
- confirm that the Trust Statement as a whole is fair, balanced and understandable and take personal responsibility for the Trust Statement and the judgements required for determining that it is fair, balanced and understandable

HM Treasury has appointed the Chief Executive of Companies House as Accounting Officer of the Trust Statement. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Companies House's assets, are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Companies House Trust Statement's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

# Performance report and accountability report

The performance report covering both Companies House and the Trust Statement, starts from page 2.

The accountability report covering both Companies House and the Trust Statement, starts from page 47.

A separate disclosure note covering losses incurred in the Trust Statement is included below.

## Parliamentary accountability disclosure

### Losses and special payments

#### Late filing penalties (LFP)

This table has been subject to audit.

| Losses                                        | 2025/26<br>Volumes | 2025/26<br>Values<br>£'000 | 2024/2025<br>Volumes | 2024/25<br>Values<br>£'000 |
|-----------------------------------------------|--------------------|----------------------------|----------------------|----------------------------|
| Debt written off—dissolved companies (note 5) | 28,710             | 20,790                     | 28,963               | 22,582                     |
| Debt written off—other <sup>1</sup> (note 5)  | 97,103             | 86,135                     | 82,380               | 57,640                     |
| <b>Total</b>                                  | <b>125,813</b>     | <b>106,925</b>             | <b>111,343</b>       | <b>80,222</b>              |

In accordance with Managing Public Money (A4.10.8) total losses over £300,000 should be disclosed. No single item exceeded £300,000 within that total. Companies House has gained parent company approval from DBT in relation to write-offs which exceed £25,000 in value.

1. The Registrar also writes off LFP after 4 years or as deemed uncollectable following exhaustion of debt collection strategies and court action, in line with the accounting policy (note 1).

## Civil sanctions (financial penalties)

This table has been subject to audit.

| Losses                                                | 2025/26<br>Volumes | 2025/26<br>Values<br>£'000 | 2024/25<br>Volumes | 2024/25<br>Values<br>£'000 |
|-------------------------------------------------------|--------------------|----------------------------|--------------------|----------------------------|
| ROE FTR: Debt reversed—dissolved entities (note 2)    | 9                  | 410                        | 22                 | 1,080                      |
| ROE FTU: Debt reversed—dissolved entities (note 2)    | 1                  | 5                          | -                  | -                          |
| ROE FTR: Debt reversed—other <sup>1</sup> (note 2)    | 9                  | 480                        | 2                  | 40                         |
| ROE FTR: Debt written off—dissolved entities (note 4) | 6                  | 400                        | 13                 | 715                        |
| ROE FTU: Debt written off—dissolved entities (note 4) | 8                  | 40                         | -                  | -                          |
| ROE FTR: Debt written off—other <sup>2</sup> (note 2) | 119                | 6,620                      | -                  | -                          |
| <b>Total</b>                                          | <b>152</b>         | <b>7,955</b>               | <b>37</b>          | <b>1,835</b>               |

In accordance with Managing Public Money (A4.10.8) total losses over £300,000 should be disclosed. No single item exceeded £300,000 within that total. Companies House has gained parent company approval from DBT in relation to write-offs which exceed £25,000 in value.

1. The registrar reverses ROE financial penalties, with DBT approval for cases above delegated authority, where debt is assessed as out of scope.
2. The registrar writes off ROE financial penalties, with DBT approval for cases above delegated authority, for debt deemed uncollectable through charging order action, following compliance with the register on the reissue of penalty warning notices.
3. The registrar also writes off non-ROE financial penalties (ECCT Act) after 4 years or as deemed uncollectable following exhaustion of debt collection strategies and court action in line with the accounting policy (note 1).



**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



# The certificate and report of the Comptroller and Auditor General to the House of Commons

## Opinion on financial statements

I certify that I have audited the financial statements of the Companies House Trust Statement for the year ended 31 March 2026 under the Government Resources and Accounts Act 2000.

The financial statements comprise: the Companies House Trust Statement's

- Statement of Financial Position as at 31 March 2026;
- Statement of Revenue, Statement of Other Income and Expenditure, and for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Companies House Trust Statement's affairs as at 31 March 2026 and its net revenue for the Consolidated Fund for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.



## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2024. I am independent of the Companies House Trust Statement in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Companies House Trust Statement's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Companies House Trust Statement's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Companies House Trust Statement is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other information

The other information comprises information included in the Foreword by the Accounting Officer, Statement of Accounting Officer's responsibilities and Performance Report and Accountability Report but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

## Matters on which I report by exception

In the light of the knowledge and understanding of the Companies House Trust Statement and its environment obtained in the course of the audit, I have not identified any material misstatements in the Foreword by the Accounting Officer, Statement of Accounting Officer's responsibilities and Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Companies House Trust Statement or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Companies House Trust Statement from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view and are in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Companies House Trust Statement's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Companies House Trust Statement will not continue to be provided in the future.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always



detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

## **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Companies House Trust Statement's accounting policies, key performance indicators and performance incentives.
- inquired of management, the Companies House Trust Statement's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Companies House Trust Statement's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;
  - detecting and responding to the risks of fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Companies House Trust Statement's controls relating to the Companies House Trust Statement's compliance with the Government Resources and Accounts Act 2000 and Managing Public Money.
- inquired of management, the Companies House Trust Statement's head of internal audit and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Companies House Trust Statement for fraud and identified the greatest



potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Companies House Trust Statement's framework of authority and other legal and regulatory frameworks in which the Companies House Trust Statement operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Companies House Trust Statement. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation Act, Companies Act 2006, employment law, pensions legislation and tax legislation.

### **Audit response to identified risk**

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.



## Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**

Comptroller and Auditor General

**Date** 6 July 2026

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP



# Statement of revenue, other income and expenditure for the year ending 31 March 2026

|                                       | Note | 2025/26<br>£'000 | 2024/25<br>£'000 |
|---------------------------------------|------|------------------|------------------|
| <b>Revenue</b>                        |      |                  |                  |
| Late filing penalties                 | 2    | 156,399          | 157,215          |
| Civil sanctions (financial penalties) | 2    | (497)            | (1,050)          |
| Appeals and discretion applied        |      | (5,309)          | (5,014)          |
| <b>Total revenue</b>                  |      | <b>150,593</b>   | <b>151,151</b>   |
| <b>Expenditure</b>                    |      |                  |                  |
| Bad and doubtful debts                | 4    | (72,167)         | (66,817)         |
| <b>Total expenditure</b>              |      | <b>(72,167)</b>  | <b>(66,817)</b>  |
| Net revenue for the Consolidated Fund | 6    | 78,426           | 84,334           |

The accompanying notes form part of the Trust Statement.



# Statement of financial position as at 31 March 2026

|                                                         | Note     | 2025/26<br>£'000 | 2024/25<br>£'000 |
|---------------------------------------------------------|----------|------------------|------------------|
| <b>Current assets</b>                                   |          |                  |                  |
| Trade and other receivables                             | 3        | 34,621           | 61,585           |
| Cash and cash equivalents                               | 7        | 26,766           | 15,536           |
| <b>Total current assets</b>                             |          | <b>61,387</b>    | <b>77,121</b>    |
| <b>Current liabilities</b>                              |          |                  |                  |
| Trade and other payables                                | 8        | (7,920)          | (5,717)          |
| <b>Total current liabilities</b>                        |          | <b>(7,920)</b>   | <b>(5,717)</b>   |
| <b>Assets less liabilities</b>                          |          | <b>53,467</b>    | <b>71,404</b>    |
| <b>Balance on Consolidated Fund account at 31 March</b> | <b>6</b> | <b>53,467</b>    | <b>71,404</b>    |

The accompanying notes form part of the Trust Statement.

**Andy King**

Accounting Officer, Chief Executive of Companies House  
and Registrar of Companies for England and Wales

6 July 2026



# Statement of cash flows for the year ending 31 March 2026

|                                                                    | Note     | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------------------------------------------|----------|------------------|------------------|
| <b>Net cash flow from revenue activities</b>                       |          | <b>107,593</b>   | <b>72,502</b>    |
| <b>Cash paid to the consolidated fund</b>                          |          | <b>(96,363)</b>  | <b>(83,300)</b>  |
| <b>(Decrease)/Increase in cash and cash equivalent</b>             |          | <b>11,230</b>    | <b>(10,798)</b>  |
| <b>Notes to the statement of cash flows</b>                        |          |                  |                  |
| <b>A. Reconciliation of net cash flow to movement in net funds</b> |          |                  |                  |
| Net revenue for the consolidated fund                              | 6        | 78,426           | 84,334           |
| Increase/(decrease) in trade and other receivables                 | 3        | 26,964           | (13,936)         |
| Increase in liabilities                                            | 8        | 2,203            | 2,104            |
| <b>Net cash flow from revenue activities</b>                       |          | <b>107,593</b>   | <b>72,502</b>    |
| <b>B. Analysis of changes in net funds</b>                         |          |                  |                  |
| (Decrease)/Increase in cash in this period                         | 7        | 11,230           | (10,798)         |
| <b>Net funds as at 1 April</b>                                     | <b>7</b> | <b>15,536</b>    | <b>26,334</b>    |
| <b>Net cash as at 31 March</b>                                     | <b>7</b> | <b>26,766</b>    | <b>15,536</b>    |

The accompanying notes form part of the Trust Statement.



# Notes to the Trust Statement for the year ending 31 March 2026

## 1. Accounting policies, judgements and estimates

### 1.1 Basis of accounting

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards. The Trust Statement is prepared in accordance with the Accounts Direction issued by HM Treasury under section 7 of the Government Resources and Accounts Act 2000.

The Trust Statement is prepared in accordance with the accounting policies detailed below. These have been agreed between Companies House and HM Treasury and have been developed with reference to International Financial Reporting Standards and other relevant guidance.

The accounting policies have been applied consistently in dealing with items considered material to the accounts. The income and associated expenditure contained in this statement are those flows of funds which Companies House handles on behalf of the Consolidated Fund and Treasury where it is acting as an agent rather than principal.

The Trust Statement has been prepared in accordance with the requirements of the Government Financial Reporting Manual (FReM) and International Accounting Standard (IAS) 1. The Trust Statement is responsible for ensuring compliance through the issuance and collection of late filing penalties and civil sanctions, which are paid into HM Treasury's Consolidated Fund. These responsibilities are governed by legislation and are expected to continue for the foreseeable future. Therefore, it is considered appropriate for the financial statements to be prepared on a going concern basis.

### 1.2 Accounting Convention

The Trust Statement has been prepared in accordance with the historical cost convention.



## 1.3 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements and estimates in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are set out below.

### **Impairment of receivables for doubtful debts (late filing penalties and civil sanctions)**

Companies House recognises an allowance for expected credit losses on penalties issued to companies on the registers. As at 31 March 2026, the expected credit loss allowance was £110.3 million (2024 to 2025: £152.1 million).

The calculation of the expected credit loss (ECL) under IFRS 9 requires management to make a number of judgements, assumptions and estimates which are set out in note 6.1. The disclosure also includes sensitivity analysis on the carrying value of net receivables for changes in assumptions.

## 1.4 New and amended standards adopted

### **IFRS 17 Insurance Contracts**

IFRS 17 has replaced IFRS 4 Insurance Contracts and is mandatory to be applied from 2025 to 2026. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard.

Management has assessed the applicability of IFRS 17 and identified that the entity does not have any contracts that fall within the scope of the Standard. Accordingly, the adoption of IFRS 17 has no material impact on the financial statements for the year.

We have not adopted any other new standards in these financial statements.



## 1.5 Standards issued but not yet effective

### **IFRS 18 Presentation and disclosure in financial statements**

IFRS 18 Presentation and Disclosure in Financial Statements will replace International Accounting Standard (IAS) 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after 1 January 2027 in the private sector. The public sector implementation date is not yet confirmed. We are still assessing the impact of IFRS 18 on our financial statements.

### **IFRS 19 Subsidiaries without public accountability: disclosures**

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and FRAB endorsement). The Standard permits certain eligible subsidiaries to apply reduced disclosure requirements when preparing their financial statements. IFRS 19 is not expected to have an impact on our financial statements.

## 1.6 Presentational currency

The financial statements are presented in pounds sterling, the functional currency of Companies House.

## 1.7 Revenue recognition

Revenue is recognised when a penalty is validly imposed and an obligation to pay arises. The revenue is considered to be a non-exchange transaction and therefore outside the scope of IFRS 15.

Through the Economic Crime (Transparency and Enforcement) Act 2022 and the Economic Crime and Corporate Transparency Act 2023 (ECCT Act), which received Royal Assent on the 15 March 2022 and 26 October 2023, the government has reformed the role and the powers of the registrars to tackle money laundering and other economic crime and improve transparency over corporate entities. This has resulted in the creation of a Register of Overseas Entities (ROE), increased the scope of criminal offences and introduced a civil sanctions regime for non-compliance with the reforms.

A civil sanction involves the registrar issuing a financial penalty as an alternative to criminal prosecution. This income is reflected in the Trust Statement.



### **Late filing penalties**

The penalty is imposed when the financial statements are late in being submitted. This should commence at the date the penalty becomes enforceable.

For a penalty to be enforceable, the financial statements must have been submitted after a specific date.

The penalty increases as the length of time for non-submission of financial statements increases.

As each deadline is missed, the penalty increases. Therefore, each stage has an identifiable transaction price. This means that the penalty value is recognised at the point of time of acceptance of the filing.

Failure to submit the financial statements does not enable the penalty to be recognised.

Penalties depend on individual companies complying with their legislative filing requirements for their accounts. We analyse historic compliance against the current register size to get an indication of expected revenue.

### **Civil sanctions (financial penalties)**

Revenue in respect of civil sanctions are recognised when the financial penalty notice period is imposed. This should commence at the date the financial penalty becomes enforceable.

For a financial penalty to be enforceable, the registrar must be satisfied that an offence has been committed.

The financial penalty can be calculated on both a fixed and/or daily rate basis.

Interest can be accrued if payment or representations are not received at the end of the financial penalty notice period.

Action is not taken to enforce a penalty unless the penalty notice period has expired and the penalty has not been paid or an appeal raised.

The registrar may issue further penalties for continued contravention and has the power to vary or revoke a financial penalty on a case-by-case basis.

When determining the financial penalty amount, the registrar will assess the culpability and the harm involved in each case. When assessing culpability, the registrar will consider factors including evidence of intent and previous penalties or conduct.

After assessing the culpability and harm, the registrar will consider any aggravating or mitigating factors and information from representations received that make the offence more or less serious.

For offences relating to ROE, the value of an entity's property portfolio will be used as an estimate of the size of harm.

### **Late filing penalties—recoverable third-party costs**

We recognise court and other legal disbursements incurred for debt recovery activity in respect of penalties levied as expenditure once awarded by the courts. These are then recoverable from the company to which the penalty relates and the amounts are offset against previously incurred costs. Recoverable third-party court costs and other legal disbursements outstanding are recognised net of trade receivables in Consolidated Fund receipts due and are not recognised as revenue. This reflects the substance of the transaction as recoverable third-party costs are not owed to the Consolidated Fund.

### **Civil sanctions—recoverable third-party costs**

Recoverable court costs and other legal disbursements outstanding are recognised net of trade receivables on the face of the statement of financial position and are not recognised as revenue. This reflects the substance of the transaction as recoverable third-party costs are not owed to the Consolidated Fund.

Once these costs are fully recovered, the payment is recognised as a liability to the Trust Statement and the amounts are transferred to Companies House against previously incurred costs.

## **1.8 Discretion under section 453 Companies Act 2006**

### **Late filing penalties—discretion under section 453 Companies Act 2006**

Section 453(3) of the Companies Act 2006 states that the civil penalty “may be recovered by the Registrar”. Discretion can only be applied in exceptional circumstances, for example, where Companies House has contributed to the late filing or where an unforeseen catastrophe strikes the company immediately before the filing deadline. Where discretion is given, this is offset against penalty receipts.

### **Civil Sanctions—discretion due to representation and appeals**

The non-ROE financial penalties are governed by The Economic Crime and Corporate Transparency Act 2023 (Financial Penalty) Regulations 2024. Regulation 6 allows the registrar to vary or revoke a penalty notice as the registrar considers appropriate.



Regulation 8 states a person who has received a penalty notice may appeal to the County Court or, in Scotland, the Sheriff Court.

The financial penalties in ROE are governed by The Register of Overseas Entities (Penalties and Northern Ireland Dispositions) Regulations 2023. Regulation 6 allows the registrar to vary or revoke a penalty notice as the registrar considers appropriate.

Regulation 8 states a person who has received a penalty notice may appeal the financial penalty to the High Court or, in Scotland, the Court of Session.

Civil sanctions (financial penalties) revoked due to successful appeal or representation are derecognised at the decision date.

Where discretion is given or an appeal is successful, this is offset against penalty receipts in the statement of revenue, other income and expenditure.

## 1.9 Operating costs

The LFP and civil sanction scheme is administered by the registrars. Funding for the costs incurred in this administration is via DBT who are invoiced by Companies House on a cost-recovery basis.

## 1.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the statement of financial position when the Trust becomes a party to the contractual provisions of an instrument.

### Financial assets

For the purposes of this Trust Statement, financial assets are held in the following categories:

- receivables held at amortised cost
- cash and cash equivalents

Both receivables and cash and cash equivalents are held at amortised cost.

Receivables held at amortised cost comprise of civil penalties levied in the LFP and civil sanctions scheme, amounts for which have not been received at the financial year end.

Cash and cash equivalents comprise of current balances with banks and other financial institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

## Financial liabilities

For the purposes of this Trust Statement, financial liabilities are held in the other financial liabilities category.

Other financial liabilities comprise of amounts established as due at the reporting date, but where payment is made subsequently. Since these balances are expected to be settled within 12 months of the reporting date, there is no material difference between fair value, amortised cost and historical cost.

## 1.11 Impairment of financial instruments

Receivables are shown net of impairments in accordance with the requirements of IFRS 9. The Trust Statement adopts the simplified approach using the provision matrix methodology based on historical collection rates as a proxy for future collections. The impact of current factors and forecasts on historic collectability are then considered.

The impairment of receivables for doubtful debts and debts written off are treated as an expense in the statement of revenue, other income, and expenditure. In accordance with IFRS9, lifetime expected credit losses are applied to determine the impairment of receivables. The complete life cycle of receivables including all possible default events and associated debt recovery arrangements will be assessed when making the impairment judgement.

Late filing penalties and civil sanctions excluding ROE (ECCT Act) are written off as uncollectable when a company is dissolved, the penalty exceeds 4 years, or all debt collection strategies have been exhausted and Companies House and the debt collector deem the penalty uncollectable.

Where debt is deemed uneconomical to collect, in rare circumstances it may be deemed uncollectable. Companies House regularly evaluates the collectability of debtors and records an impairment against receivables for doubtful debts based on previous experience including the comparisons of the relative aged debt, collection rates, and the forecast of the dissolution rate of companies.

The calculated impairment of receivables varies depending on position in the debt collection process and the ageing of the debt, for example, a debt is generally more highly impaired the older it is and if it has been transferred to a debt collection company.

The registrar may seek to enforce the debt for ROE civil sanctions through the court if the financial penalty is not paid and not apply the above debt write off process. A charging order can be placed on the entity's property assets through this process. This means that if the property is sold, the charging order will be paid before any of the proceeds of sale can be given to the debtor.



Where a final charging order is made, we can also apply to court to force the sale of the property. This is the main route Companies House take to enforce ROE penalties, because the charge can be placed on a UK property that is relevant to the register.

Given most entities and persons are based overseas, placing a charge on the UK property is considered the most viable option for debt recovery and is taken into account in our impairment assessment.

## 2. Revenue and other income

### 2.1 Late filing penalties

|                   | 2025/26<br>Number of<br>penalties<br>'000 | 2025/26<br>£'000 | 2024/25<br>Number of<br>penalties<br>'000 | 2024/25<br>£'000 |
|-------------------|-------------------------------------------|------------------|-------------------------------------------|------------------|
| England and Wales | 284                                       | 145,981          | 279                                       | 147,146          |
| Scotland          | 14                                        | 7,823            | 14                                        | 7,537            |
| Northern Ireland  | 5                                         | 2,595            | 5                                         | 2,532            |
| <b>Total</b>      | <b>303</b>                                | <b>156,399</b>   | <b>298</b>                                | <b>157,215</b>   |

### 2.2 Civil sanctions (financial penalties)

|                         | 2025/26<br>Number of<br>penalties<br>'000 | 2025/26<br>£'000 | 2024/25<br>Number of<br>penalties<br>'000 | 2024/25<br>£'000 |
|-------------------------|-------------------------------------------|------------------|-------------------------------------------|------------------|
| ROE—Failure to register | (17)                                      | (610)            | (24)                                      | (1,120)          |
| ROE—Failure to update   | (1)                                       | (5)              | -                                         | -                |
| ROE—Interest charges    | -                                         | (58)             | -                                         | -                |
| Register integrity      | 703                                       | 176              | 278                                       | 70               |
| <b>Total</b>            | <b>685</b>                                | <b>(497)</b>     | <b>254</b>                                | <b>(1,050)</b>   |

#### ROE—Failure to register (issue, reversals and change in value)

|                                         | 2025/26<br>Volumes | 2025/26<br>Values<br>£'000 | 2024/25<br>Volumes | 2024/25<br>Values<br>£'000 |
|-----------------------------------------|--------------------|----------------------------|--------------------|----------------------------|
| Penalty issued                          | 1                  | 70                         | -                  | -                          |
| Change in value from reissued penalties | -                  | 210                        | -                  | -                          |
| Debt reversed—dissolved entities        | (9)                | (410)                      | (22)               | (1,080)                    |
| Debt reversed—other                     | (9)                | (480)                      | (2)                | (40)                       |
| <b>Total</b>                            | <b>(17)</b>        | <b>(610)</b>               | <b>(24)</b>        | <b>(1,120)</b>             |

For further details on civil sanctions reversals, refer to losses and special payments note in parliamentary accountability disclosure.

### 3. Trade and other receivables

|                                                        | 2025/26<br>£'000 | 2024/25<br>£'000 |
|--------------------------------------------------------|------------------|------------------|
| Penalties levied recoverable—LFP                       | 135,347          | 177,625          |
| Penalties levied recoverable—Civil sanctions           | 9,372            | 17,387           |
| Amount owed by Companies House executive agency        | 165              | 18,673           |
| Impairment for doubtful debts—LFP (note 6)             | (107,794)        | (149,978)        |
| Impairment for doubtful debts—Civil sanctions (note 6) | (2,469)          | (2,122)          |
| <b>Total</b>                                           | <b>34,621</b>    | <b>61,585</b>    |

No amounts fall due after more than one year (2024 to 2025: Nil).

If a company has difficulty in paying the penalty outright the Registrar may accept payment in instalments over a short period depending on individual company circumstances. The impairment for doubtful debts reflects the type of debt incurred and the length of time taken in collecting the debt. This is calculated in line with the policy in note 1. Of the total LFP provision for doubtful accounts of £107.8 million (2024 to 2025: £150.0 million), £0.1 million (2024 to 2025: £0.2 million) specifically relates to trade receivables with an appeal outstanding as at 31 March 2026. A further £13.5 million (2024 to 2025: £24.8 million) of the provision relates to trade receivables which have passed through the full debt collection strategy but are held as at 31 March 2026 ahead of being written off. The remaining £94.2 million (2024 to 2025: £125.0 million) of the provision has been calculated through the expected credit loss model.

There has been an impairment for trade receivables as at 31 March 2026 of £2.5 million (2024 to 2025: £2.1 million). Of the total civil sanctions provision for doubtful accounts of £2.5 million (2024 to 2025: million), £1.9 million specifically relates to trade receivables for failure to register financial penalties. A further £0.3 million (2024 to 2025: £0.3 million) of the provision relates to trade receivables from failure to update financial penalties. The remaining £0.3 million (2024 to 2025: Nil) relates to trade receivables from register integrity financial penalties. This includes ROE penalties where debt can be enforced through the charging order mechanism and has been calculated through the expected credit loss model.

## 4. Bad and doubtful debts

|                                                                  | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------------------------------|------------------|------------------|
| LFP: Debt written off—dissolved entities                         | 20,790           | 22,582           |
| ROE: Debt written off—dissolved entities                         | 440              | 715              |
| Other write offs                                                 | 92,774           | 57,640           |
| Total revenue losses                                             | 114,004          | 80,937           |
| (Decrease) in impairment for doubtful debt (note 5) <sup>1</sup> | (41,837)         | (14,120)         |
| <b>Total</b>                                                     | <b>72,167</b>    | <b>66,817</b>    |

Late filing penalties and civil sanctions excluding ROE (ECCT Act) and any associated court costs and disbursements are written off as uncollectable in one of the following circumstances:

- a company is dissolved
- the penalty exceeds 4 years
- all debt collection strategies have been exhausted and Companies House and the debt collector deem the penalty uncollectable

The registrar may seek to enforce the debt for ROE civil sanctions through the court if the financial penalty is not paid and not apply the above debt write off process.

1. There is a sharp decrease in impairment of doubtful debt due to increase in LFP debt written off was £106.9 million (2024 to 2025: £80.2 million). During the year more debt was passed through the third-party debt collector. This resulted in an increase level of County Court Judgement (CCJ) and court activities and subsequent increased levels of debt write offs.

## 5. Change to impairments

|                                          | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------|------------------|------------------|
| <b>Balance as at 1 April</b>             | <b>152,100</b>   | <b>166,220</b>   |
| Change in estimated value of impairments | (41,837)         | (14,120)         |
| <b>Balance as at 31 March</b>            | <b>110,263</b>   | <b>152,100</b>   |

We report receivables on the statement of financial position after deducting the estimated value of impairments. This estimate is based on the expected recoverability of outstanding penalties and associated costs in line with note 1.

### 5.1 Sensitivity analysis on the impairment of expected credit losses

Sensitivity analysis has been conducted which has looked at the impact of movement in the collectable percentage rates applied to calculate the impairment of receivables of doubtful debts. The impairment has been spilt into age categories with different collectable percentage rates.

The key management assumption is that historic cash collection rates will continue in a similar pattern going forwards. Were this assumption to be incorrect and less cash collected, the impairment should be increased to reflect less debt collected. Conversely, should more cash be recovered the impairment should be decreased.

The sensitivity analysis shows the impact on receivables (net of impairments) when increasing or decreasing the base provision percentage rates used in the credit loss model. The analysis has yielded the following results:

## Late filing penalties

|                                            | 83% of<br>provision—<br>non-<br>dissolution | 17% of<br>provision—<br>dissolution | 2025/26<br>Total | 2024/25<br>Total |
|--------------------------------------------|---------------------------------------------|-------------------------------------|------------------|------------------|
|                                            | +/-<br>£'000                                | +/-<br>£'000                        | +/-<br>£'000     | +/-<br>£'000     |
| <b>1% Flex—impact on net receivables</b>   |                                             |                                     |                  |                  |
| Decrease in cash collected                 | 793                                         | 131                                 | 924              | 1,004            |
| Increase in cash collected                 | (1,015)                                     | (210)                               | (1,225)          | (1,533)          |
| <b>2.5% Flex—impact on net receivables</b> |                                             |                                     |                  |                  |
| Decrease in cash collected                 | 1,983                                       | 326                                 | 2,309            | 2,509            |
| Increase in cash collected                 | (2,538)                                     | (526)                               | (3,064)          | (3,832)          |
| <b>5% Flex—impact on net receivables</b>   |                                             |                                     |                  |                  |
| Decrease in cash collected                 | 3,966                                       | 653                                 | 4,619            | 5,019            |
| Increase in cash collected                 | (5,077)                                     | (1,052)                             | (6,129)          | (7,664)          |

The key assumption inherent in the model used to calculate the impairment for doubtful debt is that the estimated future flow of payments reflects historical trends and as such, there is inherent uncertainty in the estimated impairment. The impact of adjusting the estimated future flow of payments to arrive at reasonable alternatives to this assumption is reflected in the table above.

**Civil sanctions (financial penalties)**

|                                            | 2025/26<br>Total | 2024/25<br>Total |
|--------------------------------------------|------------------|------------------|
|                                            | +/-<br>£'000     | +/-<br>£'000     |
| <b>1% Flex—impact on net receivables</b>   |                  |                  |
| Decrease in cash collected                 | 88               | 170              |
| Increase in cash collected                 | (92)             | (174)            |
| <b>2.5% Flex—impact on net receivables</b> |                  |                  |
| Decrease in cash collected                 | 221              | 425              |
| Increase in cash collected                 | (229)            | (434)            |
| <b>5% Flex—impact on net receivables</b>   |                  |                  |
| Decrease in cash collected                 | 442              | 850              |
| Increase in cash collected                 | (458)            | (868)            |

The key assumption inherent in the model used to calculate the impairment for bad and doubtful debt is that the estimated future flow of payments reflects historical trends. As such, there is inherent uncertainty in the estimated impairment. The impact of adjusting the estimated future flow of payments to arrive at reasonable alternatives to this assumption is reflected in the table above.

## 6. Balance on the Consolidated Fund

|                                                                | 2025/26<br>£'000 | 2024/25<br>£'000 |
|----------------------------------------------------------------|------------------|------------------|
| <b>Balance on the Consolidated Fund as at 1 April</b>          | <b>71,404</b>    | <b>70,935</b>    |
| Prior period adjustment                                        | -                | (565)            |
| <b>Restated balance on the Consolidated Fund as at 1 April</b> | <b>71,404</b>    | <b>70,370</b>    |
| Net (expenditure)/revenue for the Consolidated Fund            | 78,426           | 84,334           |
| Less amounts paid to the Consolidated Fund                     | (96,363)         | (83,300)         |
| <b>Balance on the Consolidated Fund as at 31 March</b>         | <b>53,467</b>    | <b>71,404</b>    |

## 7. Cash and cash equivalents

|                                          | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------------------|------------------|------------------|
| Balance with Government Banking Services | 26,766           | 15,536           |
| <b>Total</b>                             | <b>26,766</b>    | <b>15,536</b>    |

|                                    | 2025/26<br>GBS<br>£'000 | 2024/25<br>GBS<br>£'000 |
|------------------------------------|-------------------------|-------------------------|
| <b>Balance held as at 1 April</b>  | <b>15,536</b>           | <b>26,334</b>           |
| Net movement                       | 11,230                  | (10,798)                |
| <b>Balance held as at 31 March</b> | <b>26,766</b>           | <b>15,536</b>           |



## 8. Trade and other payables

|                                                     | 2025/26<br>£'000 | 2024/25<br>£'000 |
|-----------------------------------------------------|------------------|------------------|
| Recovered third party costs owed to Companies House | (6,429)          | (4,451)          |
| Other payables                                      | (1,491)          | (1,266)          |
| <b>Total</b>                                        | <b>(7,920)</b>   | <b>(5,717)</b>   |

No amounts fall due after more than one year (2024 to 2025: Nil).

## 9. Expenditure

In managing both the LFP and civil sanction scheme, Companies House incurred expenditure of £15.2 million (2024 to 2025: £15.9 million). We have included this expenditure in Companies House's accounts because there is no express statutory provision for these costs to be deducted from the revenue collected and paid over to the Consolidated Fund.

|                              | 2025/26<br>£'000 | 2024/25<br>£'000 |
|------------------------------|------------------|------------------|
| <b>Appeal administration</b> |                  |                  |
| Staff costs                  | 2,841            | 2,083            |
| Overheads                    | 479              | 389              |
| <b>Debt collection</b>       |                  |                  |
| Staff costs                  | 1,143            | 987              |
| Overheads                    | 10,775           | 12,475           |
| <b>Total</b>                 | <b>15,238</b>    | <b>15,934</b>    |
| <b>Average employees FTE</b> | <b>93</b>        | <b>75</b>        |



## 10. Related party disclosures

Companies House is an executive agency of DBT. DBT is regarded as a related party. During the year Companies House received funding for both the late filing penalty and civil sanction scheme expenditures from DBT, invoiced on a cost-recovery basis. This is reflected within the Companies House annual accounts.

None of the board members or senior managers has undertaken any transactions with Companies House during the year.

## 11. Subsequent events

There have been no significant events between the statement of financial position and the date of authorising these financial statements.

The accounts were authorised for issue on the date of the certificate of the Comptroller and Auditor General.









Companies House

2025  
/26



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