



Companies House

— *for the record* —

Oversea Companies

February 2005

Oversea Companies - GBO1

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This is a guide only and should be read with the relevant legislation.

Introduction

This booklet outlines the registration requirements for all overseas companies that establish a place of business or branch in Great Britain. Further information is available from Companies House on request. However, you are advised to consult a legal adviser for detailed guidance.

You will find the relevant law in Part XXIII of the Companies Act 1985 (as amended in 1989 and later).

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CHAPTER 1

Who needs to register?

1. Do I have to register my company?

The fact that an overseas company is carrying on business in Great Britain does not automatically mean that the company has to register. However, the Companies Act 1985 requires every overseas company which establishes some type of place of business in Great Britain to deliver certain documents to Companies House.

2. What is a place of business?

A place of business is a premises where there is a physical or visible indication that the company may be contacted there. An overseas company also has to register if it habitually conducts business from a particular location in Great Britain even if there is no physical sign of the company's connection with it.

3. What companies do not have to register?

Registration is not required if there is no physical location in Great Britain. For example, an independent agent who conducts business on behalf of the company is not a place of business of an overseas company; neither is an occasional location such as a hotel where a director may conduct business during periodic visits to this country. Other types of commercial enterprises (for instance partnerships, limited partnerships, unincorporated bodies or government agencies) cannot register in Great Britain as an overseas company.

4. What different regimes are there for registration?

There are two regimes for registration in Great Britain. These are:

- a branch; and
- a place of business.

A 'branch' is part of an overseas limited company organised to conduct business through local representatives in Great Britain rather than referring it abroad.

A 'place of business' is for companies who cannot register as a branch because:

- they are from within the UK (Northern Ireland or Gibraltar); or
- they are not limited companies; or
- their activities in Great Britain are not sufficient to define it as a branch. Such activities might include internal computer processing, warehousing, or simply a representative office.

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CHAPTER 2

How to register

1. How do I register a branch?

Within one month of establishing a branch in Great Britain you must deliver to the Registrar of Companies:

- completed Form BR1;
- a certified copy (see question 3) of the company's constitutional documents (Charter, statute, operating agreement, etc);
- a copy of the latest set of audited accounts required to be published by parent law; and
- the current registration fee. (£20)

Our premium service (cost: £50) provides registration on the same day as we receive the documents, if they are hand delivered to our Cardiff office before 3pm. Posted applications cannot be given the same guarantee although, in most cases, we will register the application on the day of receipt.

2. How do I register a place of business?

Within one month of establishing a place of business in Great Britain you must deliver to the Registrar of Companies:

- completed Form 691;
- a certified copy (see question 3) of the company's constitutional documents (Charter, statute, operating agreement, etc); and
- the current registration fee. (£20)

A premium 'same-day registration' service is available, as at question 1 above.

3. What are certified copies of documents?

Constitutional documents and accounts must be in their original language but documents not in English must be accompanied by a certified translation into English. You should note that the certification of the constitution

must be made in the country of incorporation. Details of the methods of certification are given in the notes to the forms. (Forms 691 and BR1.)

4. What about the name of the company?

You must initially register the company in its corporate name, but thereafter the company becomes subject to the same restrictions on company names as British companies. Briefly this means that a name is unacceptable if it is the 'same as' a name already on the register or contains certain sensitive words or expressions which cannot be justified. For further information see our booklet, 'Company Names'.

If a company name is unacceptable, the Secretary of State will order the company to adopt an acceptable business name for use in Great Britain. The order will specify a period during which the company must register the change of name. The company will be unable to conduct business in Great Britain in its corporate name once the period stated in the notice has expired.

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CHAPTER 3

Filing and disclosure requirements

1. After registration do I need to send other documents to Companies House?

You should notify Companies House on the prescribed form of any changes to the original information filed as and when it occurs. The forms required are:

For branch registrations:

- Form BR2 - Changes to the constitutional documents of an overseas company.
- Form BR3 - Changes to the company details, including the name (a fee of £10 is payable), legal form, accounting requirements, head office address, objects, share capital and governing law.
- Form BR4 - Changes of director or secretary or of their particulars.
- Form BR5 - Change in details of the branch, including its business name, address and the nature of the business.
- Form BR6 - Change of person authorised to accept service or to represent the company in the business of the branch, or of their particulars.
- Form BR7 - Change of branch against which the constitutional documents and accounts of the company are registered.
- Form 225 - Change of accounting reference date of a company subject to filing accounts under section 700 of the Companies Act 1985. (see question 5)

For place of business registrations:

- Form 692(1)(a) - Changes to the constitutional documents of an overseas company.
- Form 692(1)(b) - Changes of the directors or secretary, or of their particulars.

- Form 692(1)(c) - Changes of the person authorised to accept service of process on behalf of the overseas company, or of their particulars.
- Form 692(2) - Change of corporate name of an overseas company. A fee of £10 is payable.
- Form 225 - Change of the accounting reference date of an overseas company.

2. What are the requirements for notifying insolvency?

If an overseas company with a branch in this country is being wound up outside Great Britain it must tell the Registrar of Companies by delivering whichever of the following forms are appropriate:

- Form 703P(1) - Notice of winding up of an overseas company.
- Form 703P(3) - Notice of the appointment of a liquidator.
- Form 703P(5) - Notice of the cessation of liquidation.
- Form 703Q(1) - Notice of insolvency proceedings.
- Form 703Q(2) - Notice of cessation of insolvency proceedings.

Note: An overseas company cannot be wound up voluntarily under the provisions of the Insolvency Act 1986 but can be compulsorily wound up under that Act.

3. When must the forms be delivered to Companies House?

All forms listed in questions 1 and 2 must be delivered to Companies House within 21 days of the change or, in the case of a change affecting the company in its parent state, within 21 days after the date on which notice of the alteration could have been received by post in Great Britain (if despatched with due diligence).

If the company has changed its name, a £10 registration fee must be sent with Form BR3 or Form 692(2). Cheques should be made payable to Companies House.

4. What about mortgage charges?

Briefly the requirements are:

- all overseas companies which have registered a branch or a place of business which create a mortgage or charge in Great Britain must register the charge at Companies House. To register a charge send the appropriate form, listed in our booklet, 'Company Charges and Mortgages' (or 'Company Charges (Scotland)' if the charge is to be registered in Scotland) with a £13 registration fee to the Registrar of Companies within 21 days of the creation date of the charge.
- charges must also be presented for registration for an overseas company that has not registered a branch or place of business in Great Britain as such charges are subject to the 'Slavenburg' ruling. A registration fee of £13 is payable. If an overseas company without a branch or place of business registered in Great Britain needs to register such a charge then contact:

For charges to be registered in England or Wales:

Mortgage Section
Companies House
Cardiff
CF14 3UZ

DX33050 Cardiff

Telephone 029 2038 0221.

For charges to be registered in Scotland:

Mortgage Section
Companies House
Edinburgh
EH1 2EB

DX ED235 Edinburgh 1

LP – 4 Edinburgh 2

Telephone 0131 535 5847.

Further information about registering charges is available in our guidance booklet 'Company Charges and Mortgages' (or 'Company Charges (Scotland)' if a charge needs to be registered in Scotland).

5. What financial information must be sent to Companies House by overseas companies registered in Great Britain?

Branches of overseas companies whose parent law requires the publication of accounts which have been audited must deliver a copy of those accounts (together with a certified translation if necessary - see chapter 2, question 3) within three months of public disclosure. This applies to all companies from European Economic Area (EEA) member States even where a company is categorised as 'small' and allowed to deliver modified accounts, even to the extent of them being unaudited.

All:

- places of business and
- branches of overseas companies whose parent law does not require the publication of audited accounts

- must, within 13 months of a company's accounting reference date (see question 7), deliver accounts to Companies House that comply with section 700 of the Companies Act 1985 (as amended by Statutory Instrument 1990 No. 440). Such accounts are known as 'Section 700 Accounts' and must relate to the company and not solely of the place to business or branch.

An annual document-processing fee of £30 should be sent with each set of accounts. Cheques should be made payable to Companies House.

Note: All overseas companies must deliver accounts - there are no exceptions. The accounts must relate to the company as a whole and not just that part of the company that operates in Great Britain

6. What information should 'section 700 accounts' contain? A company subject to section 700 of the Companies Act 1985 (see question 5) is required to prepare accounts consisting of, as a minimum, a balance sheet and profit and loss account, with a minimum of notes. No directors' or auditors' report is required, neither are details of directors' emoluments or pension contributions (which are excluded by virtue of the dis-application of section 232 and schedule 6 of the Companies Act 1985 by virtue of the schedule to SI 1990/440).

7. What is an accounting reference date, and how is it fixed?

The accounting reference date of a company is the date in each year to which the accounts are to be made up. For a new registration of a place of business or branch subject to 'Section 700 Accounts' (see questions 5 and 6) the accounting reference date is set with reference to the date of its establishment in Great Britain.

For companies established on or after 1 April 1996, the accounting reference date is initially set as the last day in the month in which the first anniversary of the date of establishment occurs. Slightly different rules apply to companies established before 1 April 1996. If you need advice on these rules please contact us at the address shown in chapter 4.

Accounting reference dates can be changed. See chapter 1 of our booklet 'Accounts and Accounting Reference Dates' for more information about this.

8. What period should 'section 700 accounts' cover? The first accounting reference period (see question 7) of an overseas company must run from the date of its establishment in the UK and not the first day of trading if this is different. The first accounting reference period ends on the first occurrence of the accounting reference date. However accounts may be made up to a date within seven days either side of that date if this is more convenient. Subsequent accounting reference periods run from the day after the end of the previous accounting reference period until the next anniversary of the accounting reference date or to a date within seven days of it.

9. Are there special accounting rules for credit and financial institutions?

Although the rules that govern the filing requirements for credit and financial institutions derive from different law, in practice the requirements are similar to those for overseas companies. Only in some very rare circumstances will company accounting disclosure requirements be different under the Bank Branches Directive.

Certain credit institutions may not be companies and cannot therefore register a branch in Great Britain under British company law. However, branches of such institutions must still deliver copies of their accounts to Companies House.

An institution which is required by its parent law to prepare, but not register, audited accounts, need not deliver copies of its accounts to Companies House provided that:

- they are made available for inspection at each branch in Great Britain; and
- copies are available on request at a cost not exceeding the cost of supplying them.

Concessions on the filing of unaudited accounts and on the acceptance of consolidated accounts do not apply to credit and financial institutions because these concessions are not available in the Bank Accounts Directive.

10 What is a credit institution?

A 'credit institution' is defined as an undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits for its own account. It can be a company but may be some other form of entity.

11 What is a financial institution?

'Financial institution' is given meaning in the Companies Act 1985 (as amended) by reference to Article 1 of the Bank Branches Directive (89/117/EEC). This Article does not provide a definition itself but instead refers to other directives. Our interpretation is that a financial institution must:

- (a) be a limited company; and
- (b) if incorporated in a Member state, be required to file in its home state accounts under the relevant national legislation implementing the Bank Accounts Directive (86/635/EEC) rather than the fourth Directive (78/660/EEC); or
- (c) if incorporated outside the EEA, and not being a credit institution, undertake one or more of these activities:
 - ancillary banking services (defined as 'an undertaking the principal activity of which consists of owning and managing property, managing data processing services or other similar activity which is ancillary to the principal activity of one or more credit institutions');
 - lending (including, among other things, mortgage credit, factoring with or without recourse, financing of commercial transactions such as forfeiting);
 - financial leasing;
 - money transmission services;
 - issuing and administering means of payment (eg credit cards, travellers' cheques and bankers' drafts);
 - guarantees and commitments.
 - trading for own account or for account of customers in:
 - money market instruments (cheques, bills, CD's, etc);
 - foreign exchange;
 - financial futures and options;
 - exchange and interest rate instruments;
 - transferable securities;
 - participation in securities issues and the provisions of services related to such issues;
 - advice to undertakings on capital structure, industrial strategy and related questions and advice and services relating to mergers and the purchase of undertakings;
 - money broking;
 - portfolio management and advice;
 - safekeeping and administration of securities.

12. What details need to be shown on company stationery and displayed?

A overseas company must exhibit at every place where it carries on business in Great Britain the company's name and the country in which it is incorporated.

A company which registers a place of business must state on all letter paper, bill heads, invoices and other official publications of the company:

- the company's name and country of incorporation; and

- that the liability of the members is limited, if this is the case.

A company which registers a branch must, in addition to the above, show on all letter paper and order forms used for the business of the branch:

- the place of registration and registration number of the branch.

Additionally, every company which registers a branch and is from outside the EEA, must also show:

- the identity of the registry and, if applicable, the registration number in its parent state;
- the legal form of the company;
- the location of its head office; and
- if applicable, that fact that the company is being wound up.

13. What if my activities in Great Britain increase or decrease? If the activities of a limited company that registers a place of business change to the extent that it now qualifies as a branch (see chapter 1, question 4), it must register as such by delivering a completed Form BR1 (see chapter 2, question 1) to Companies House with the registration fee. In such cases, if the information previously filed at Companies House is up to date, copies of the constitutional documents and directors' details are not required.

Similarly, if a branch of an overseas company changes to the extent that it only qualifies as a place of business then it must re-register as such by delivering a completed Form 691 (see chapter 2, question 2) together with the registration fee. If the information previously filed at Companies House is up to date, copies of the constitutional documents and directors' details are not required.

On conversion of a branch to a place of business, any establishment in another part of the United Kingdom, for example, Northern Ireland, included under the original branch registration must be registered as a place of business.

On conversion of a place of business to a branch, any registered place of business in another part of the United Kingdom must either terminate its registration by having its public file 'closed', or it must be re-registered as a branch. A company cannot have both a place of business registration and a branch registration in the UK at the same time. A branch registration will take precedence over a place of business registration(s).

14. What if my company ends its activities in Great Britain?

If a company closes a place of business or a branch in Great Britain, it must give notice to this effect by delivering a letter signed by an officer or authorised person of the company to Companies House. All obligations of the company to deliver documents to Companies House cease from the date of receipt of the notice.

If a company closes its only branch in Great Britain then the company's public file will be 'closed'. If it is not the only branch, but was originally the principal branch, then Form BR7 (see chapter 3, question 1) must be delivered to notify Companies House of the branch at which the constitutional documents are kept.

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CHAPTER 4

Quality of documents

1. What happens to documents sent to Companies House?

The documents and forms you deliver to Companies House are scanned to produce an electronic image. The original documents are then stored, and the electronic image is used as the working document.

When your business contacts view the company record, they see the electronic image reproduced on-line. So it is important not only that the original is legible, but that it can also produce a clear copy.

This chapter lays down a few quality guidelines to follow when preparing a document for filing at Companies House.

2. What happens if my documents do not meet the guidelines? Section 706 of the Act allows Companies House to reject documents that cannot be captured electronically, giving a notice saying why they are unacceptable. An acceptable copy must be delivered within 14 days of the notice (otherwise we treat the original as not having been delivered).

3. How should documents be set out?

Every document delivered to the Registrar must state in a prominent position the registered number of the company, and must comply with any requirements specified by the Registrar relating to the legibility of that document.

Briefly, documents should be on A4 size, plain white paper between 80gsm and 100gsm in weight with a matt finish. Text should be black, clear, legible, and of uniform density. Letters and numbers must not be less than 1.8mm high, with a line width of not less than 0.25mm.

When you fill in a form:

- use black ink or black type;
- use bold lettering (some elegant thin typefaces and pens give poor quality copies);
- don't send a carbon copy;
- don't use a dot matrix printer; and
- remember - photocopies can result in a grey shade that will not scan well.

When you complete other documents, please remember:

- the points already made relating to completing forms;
- to use A4 size paper with a good margin;
- to supply them in portrait format (that is with the shorter edge across the top);
- to include the company number in the top right-hand corner of the first page.

Important: coloured ink can drop out (disappear) when a document is scanned to produce an image. To prevent this - **always use black ink to complete and sign all documents.**

4. What are the most common problems to avoid?

Glossy accounts

If you are producing colour-printed glossy accounts, please save them for your shareholders and others who will appreciate them. We still need black on white with a matt finish. A typed unbound version or printer's proof is ideal, provided it has the necessary signatures.

Members lists

Our requirements on document quality apply equally to the lists of shareholders that accompany annual returns and allotment forms.

If these are computer prints, it is essential that the print quality is good. We have particular problems with lists printed on green-lined computer paper. We can handle members lists on paper up to 14.5" x 12".

We will accept documents delivered on certain types of computer generated microfiche (comfiche) on a black master - as an alternative to paper - provided we can duplicate them on our diazo machines.

We may also be able to accept magnetic tape for very large listings.

5. Can I find out more about this?

For further guidance on print requirements and comfiche formats, contact 029 2038 0575

For guidance on acceptable magnetic tape systems and formats, contact 029 2038 0242.

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CHAPTER 5

Further information

1. Where do I get forms and guidance booklets?

This is one of a series of Companies House booklets which provide a simple guide to the Companies Act.

Statutory forms and guidance booklets are available, free of charge from Companies House. The quickest way to get them is through this website or by telephoning 0870 3333636.

If you prefer you can write to our stationery sections in Cardiff or Edinburgh.

Forms can also be obtained from legal stationers, accountants, solicitors and company formation agents - addresses in business phone books.

2. How do I send information to the Registrar?

You may deliver documents by hand (personally or by courier) including outside office hours, bank holidays and weekends to Cardiff, London and Edinburgh.

You may also send documents by post or by the Document Exchange service (DX) (or Legal Post (LP) in Scotland). If you send documents, you should address them to:

**For companies incorporated in
England & Wales:**

**For companies incorporated in
Scotland:**

The Registrar of Companies
Companies House
Crown Way
Cardiff CF14 3UZ

DX33050 Cardiff

The Registrar of Companies
Companies House
37 Castle Terrace
Edinburgh EH1 2EB

DX ED235 Edinburgh 1

LP – 4 Edinburgh 2

If you are sending documents by post, courier or Britdoc (DX) and would like a receipt, Companies House will provide an acknowledgement if you enclose a copy of your covering letter with a pre-paid addressed return envelope. We will barcode your copy letter with the date of receipt and return it to you in the envelope provided.

Please note: an acknowledgement of receipt does not mean that a document has been accepted for registration at Companies House.

Please note: Companies House does not accept accounts or any other statutory documents by fax.

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