

November 2004

Charter Standard Statement & Code of Enforcement what you can expect from Companies House



dti

A DTI SERVICE



Companies House
— for the record —



COMPANIES HOUSE

A DTI SERVICE

The DTI drives our ambition of 'prosperity for all' by working to create the best environment for business success in the UK.

We help people and companies become more productive by promoting enterprise, innovation and creativity.

We champion UK business at home and abroad. We invest heavily in world-class science and technology. We protect the rights of working people and consumers. And we stand up for fair and open markets in the UK, Europe and the world.

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foreword

Our Charter Standard Statement and Code of Enforcement brochure aims to give users of Companies House products and services clear guidelines on the standards of service they can expect from us. It also provides them with the information on what to do if they wish to complain.

Users of public services should expect the same level of satisfaction as the customers of any commercial organisation. In recent years, Companies House has sought to achieve rising standards in customer service and to be up there amongst the best. We would like to think that the process which has led to the award of four successive Charter Marks has been sustained to a degree which would keep us among the front runners.

We do not, however, take all this for granted. Ministers set rigorous public targets to ensure that our customers can expect a higher level of performance from us year on year. The initiatives and projects which together increasingly allow information on companies to be submitted, retained and disseminated electronically are also allowing wider and easier accessibility to the Companies House database and more flexibility and choice for those who choose to, or who must, deal with us. The principles of value for money and attentiveness to the needs of the customer, which are the foundations of the Citizen's charter, are at the heart of our development work and will continue to be the basis on which Companies House moves forward to meet the challenges of the 21st century.



Claire Clancy
Chief Executive & Registrar

role and service standards

Companies House has two main functions:

- the incorporation, re-registration and striking off of companies and the registration of documents required to be filed under companies, insolvency and related legislation;
- the provision of company information to the public, for which purpose we enforce compliance with statutory requirements.

In carrying out these functions, the overall objective is:

- to provide a high quality, economic and readily accessible service, which satisfies the needs of all our customers - both users and providers of Companies House information - in ways which make Companies House one of the better public sector organisations to deal with.



what you can expect from us

You are entitled to expect the following from Companies House:

Clear information about what we do and how well we do it

- by setting standards and publishing how well we do against them

An efficient service

We will achieve this by:

- providing up-to-date information promptly and accurately
- keeping to a minimum the costs of complying with the law
- keeping our costs and therefore our charges down
- continually looking at ways of introducing new ways of doing things which make it easier for our customers to send and receive information

Customer help and guidance

We will help by:

- providing guidance and forms which are easy to understand
- providing a telephone enquiry service
- providing an e-mail enquiries service
- consulting with our customers
- being courteous at all times
- treating everyone fairly and impartially
- working with other providers of public service such as the Insolvency Service

An easy-to-use Complaints System

We aim to resolve any problems and difficulties quickly and fairly and to have a complaints system which:

- is easily accessible and well publicised
- is simple to understand and use
- is speedy, with well established time limits for action, and keeps people informed of progress
- is fair, with full and objective investigation procedures
- maintains the confidentiality of both staff and customers
- effectively addresses all the points at issue, and provides appropriate redress
- provides information to management so that services can be improved
- provides and publicises alternative avenues if customers are not happy with the way the problem has been dealt with.

publication of standards

We have a number of standards covering:

- the processing times for filing documents
- the way we provide company information on microfiche or electronic image
- value for money
- how we deal with requests for information and complaints

Our performance against our standards is displayed in all our Information Centres, and is published quarterly in our customer magazine, Register, which is available free on request and is shown on our web site **www.companieshouse.gov.uk**.

Our standards are developed through consultation with our User Groups and Focus Groups. We also make use of customer questionnaires, focus groups and informal discussions to help formulate priorities for users of our services for inclusion in targets. Support from our Steering Board for targets is sought before submission to Ministers. These targets and our performance against them are set out on our Annual Report to Parliament after being independently audited.

our targets

Our targets for the year 2004/2005 are:

A fully electronic operation:

- To achieve 15% take-up for electronic submission of documents¹ by the end of 2004/05, 35% take-up by the end of 2005/06 and 55% take-up by the end of 2006/07.

Readily and freely accessible information:

- To ensure that products and services on Companies House Direct and WebCheck are available for 98% of the time between the core hours of 7.00am and 8.00pm, Monday to Friday.
- To ensure that the web filing service is available to customers for a minimum 98% of the time between the core hours of 7.00am and 8.00pm, Monday to Friday.

An efficient, reliable and up-to-date registry:

- To achieve, on average, a monthly compliance rate for accounts and annual returns submitted of 92%.
- To ensure that 96.5% of all forms submitted to Companies House are captured error-free.
- To ensure that of 98% of images placed on the Companies House image system are legible.
- To ensure that at least 99% of images to be placed on the image system are made available within 3 days.
- To maintain a unit cost reduction of 3% in real terms on document registration.
- To achieve, taking one year with another, a 3.5% average rate of return based on the operating surplus expressed as a percentage of average net assets.
- To pay all bills due within 30 days, or on other agreed credit terms, on receipt of goods or services or a valid invoice whichever is later.

Customers who are highly satisfied with our services:

- To resolve 97% of complaints within five days.
- The Chief Executive to reply within 10 days to all letters from Members of Parliament delegated to her for reply.
- To achieve a score of more than 82% in each quarterly Companies House Customer Satisfaction Survey.

¹ a document is an individual transaction that a company can make with Companies House to submit or register information

openness

To help us make sure that we are maintaining our standards and to highlight areas for improvement, we have set up an Index of Customer Satisfaction. This is based on customers' perceptions of our performance in relation to specific factors of their choosing and is tested by quarterly Customer Satisfaction Surveys.

We currently measure our performance against the following criteria, which customers have suggested are most important to them:

- the quality of information supplied
- how quickly we deliver information requested
- how well we respond to problems
- value for money of our products and services
- staff knowledge
- staff attitude
- accessibility
- filing documents with us

The surveys are reported quarterly and can be completed electronically on our website www.companieshouse.gov.uk. The results are published in our customer magazine, Register, and are also made available on our web site.

The results are fed back to managers and staff in Companies House to allow us to identify areas for improvement and meet customer needs. Information from our research is used on training courses to offer our staff a closer understanding of customer needs and perceptions.

If you would like to take part in the survey please contact:

Ian Smith
Customer Services Manager
Tel: (029) 2038 0594
ismith@companieshouse.gov.uk

consultation

There are two main forums where Companies House policy, performance and planning are scrutinised by non-Companies House staff: our Steering Board and our User Groups. We also conduct regular market research as well as a quarterly customer satisfaction index.

Steering Board

This is made up of experienced business people as well as senior DTI civil servants and the Companies House Board of Directors.

User Groups

There are five main User Groups: Bank, Bulk Information Customers, Company Registration Agents, Legal and Wider Users and Scottish Users. If you would like more information on the Groups, or feel that your views are not represented, or wish to pass your comments to them please contact:

Marie Connors
User Group Secretary
Tel: (029) 2038 0336
mconnors@companieshouse.gov.uk

The Scottish User Group, where there is a statutory Registrar for Scotland, includes representatives from the Banks, Law Society, Company Formation and Search Agents, Institute of Chartered Secretaries and Administrators, Chartered/Certified Accountancy profession and libraries. If you would like more information on this Group, or feel that your views may not be represented, or wish your comments to be known then please contact:

Jim Henderson
Registrar for Scotland
Tel: 0131 535 5800
jhenderson@companieshouse.gov.uk

These Groups meet on average three times a year and provide useful feedback on policy, service levels and the needs of customers.

Focus Groups

Regionally based Focus Groups help Companies House look in a structured way at issues affecting the quality of our services, to gain a deeper understanding of customer requirements and to seek their views generally.

Focus Groups have been held in London, Cardiff, Leeds, Manchester, Birmingham, Edinburgh, Glasgow, Southampton, Portsmouth, Newcastle on Tyne, Preston and Liverpool. We are continuing to extend their coverage. If you would like your comments to be heard, please contact:

Marie Connors
Focus Group Co-ordinator
Tel: (029) 2038 0336
mconnors@companieshouse.gov.uk

customer care

We hold a customer open day each year to give customers a chance to talk to senior management about their concerns. Normally a cross-section of around 200 of our customers are invited to attend our open days. If you would like more information on our open days please contact:

Marie Connors
Customer Care
Tel: (029) 2038 0336
mconnors@companieshouse.gov.uk

Responding to your comments

We would welcome any views you may have regarding our performance, which may help us improve our levels of service. Please send your comments to:

Ian Smith
Customer Services Manager
Tel: (029) 2038 0594
ismith@companieshouse.gov.uk

What you should do if you have a problem or difficulty

Our complaints procedures cover all aspects of our services including:

- the registration and provision of information
- our products and sales
- advice on company and legislative issues and
- our general support of customers.

Our complaints procedure is covered in our booklet 'Complaints and Difficulties'. Please contact our Central Enquiry Unit on **0870 33 33 636** for a copy, or see our website.

If you are not happy with a specific aspect of our service, please tell the member of staff you are dealing with. They will do all they can to resolve the difficulty. If you are still not happy ask to speak to the Manager. If this does not satisfy your concern then please contact our Customer Services Centre, at our Cardiff office:

Jayne Llewellyn
Customer Services
Tel: (029) 2038 1372
Fax: (029) 2038 0233
pjllewellyn@companieshouse.gov.uk

When you contact us

- your confidentiality will be assured
- we will acknowledge your correspondence and give you a reference number
- we will review the issue thoroughly and give you a full response within 5 working days
- if we need more time because the problem is complex we will tell you within 5 working days
- we will talk it over with you if your complaint needs special action
- we will deal with you in a polite and courteous manner
- we will always give you a contact point, name and telephone number
- we will consider the appropriate form of redress whenever necessary

If you are not happy with the way we have handled your problem

We have a Complaints Adjudicator, William Thomas, whose role is as impartial referee between Companies House and our customers. He will keep you fully informed about progress and will try to settle the complaint as quickly as possible. However, he can only take on a case if the complaints process within Companies House has been exhausted. In addition, there are certain matters on which he is unable to comment. These are:

- questions about company law
- complaints which have been or are being investigated by the Ombudsman
- any case involving criminal proceedings
- cases involving the exercise of discretion by the Secretary of State

Mr Thomas's address is: **The Companies House Complaints Adjudicator, PO Box 2, Fakenham, Norfolk NR21 0RJ.**

We will avoid lengthy correspondence when dealing with complaints. Once the Registrar has expressed her final view in a case, complainants still wishing to challenge her may go to Court or may ask their MP to refer their complaint to the Ombudsman.

Companies House cannot deal with:

- Internal disputes within companies, where there is disagreement among the directors and/or shareholders
- Matters of criminal fraud, which are the subject of police or DTI investigation.

courtesy and helpfulness

Communicating with you, our customers

Companies House will provide you with general information regarding the obligations of companies as well as news on developments at Companies House, changes in company law and revisions to our charges.

How you can help us

- We are keen to involve you in delivering our services and to develop a sense of partnership. To help us provide a quality service to all our customers and to meet the requirements of the Companies Act, please bear in mind the need to:
 - > make sure you understand your legal obligations, if you are a company director
 - > meet the filing requirements of the Companies Act within statutory deadlines
 - > inform us at an early stage if you are experiencing difficulties in meeting statutory obligations
 - > understand that we operate within a statutory framework, which sometimes constrains the actions we can take
 - > understand that we deal with 1.6 million companies and that each day we receive about 20,000 documents. Please use any references we give you in correspondence.

Initial contact by letter

Our staff are trained to produce letters in an easily accessible style and in plain English. Our letters contain the name of the person dealing with your case and a telephone number for direct dialling.

Face to face & telephone enquiries

When enquiries are received we will take full details and if appropriate we will follow up with a letter of confirmation within 10 working days. An interim reply will be issued within 5 working days if we are unable to resolve the matter immediately, or if further investigation is necessary.

When an enquiry is received directly by phone, it is important that we fully understand the issue.

We will adopt the following guidelines:

- We will identify ourselves by name
- Calls will always be answered in a courteous and professional manner
- All of the facts will be recorded and read back to you to reassure you that we have understood the complaint
- We will reply to you and check if you are content
- We will not pass a call on unless we are completely sure that the person taking the call is competent to deal with the matter
- A member of staff taking a call that is appropriate to another area will take the details, identify themselves, apologise, explain that they are transferring the call to the correct person and why. Details of the person to whom they are transferring your call will be given before the transfer. If you have already been transferred then we will apologise and offer to get the person to call you back
- We will always ensure that a full name and telephone number is given so that you know who to contact if you have any further problems
- We will not deal with customer concerns by saying, "I'm sorry this is our policy" unless we can fully explain why
- If you are not satisfied with a response, you will be offered the opportunity to speak to a team leader. If the issue is not resolved, we will let you know what further action will be taken
- Details of all complaints will be passed to the Customer Services team immediately

our services

■ **Contact Centre: 0870 33 33 636**

Our Contact Centre staff have extensive experience of Companies House and the way it works. They can normally provide you with an immediate answer to your query. If they are unable to answer your query they will transfer you to someone who can. Companies House staff cannot give you formal legal advice. This should be obtained from a qualified Legal Adviser. If you have a query or are in any doubt about what we require from you please call us. If your query concerns a Scottish registered company please also ring 0870 33 33 636.

■ **Guidance Booklets**

We publish free of charge a series of easy-to-understand booklets. These explain in detail aspects of the Companies Act as it relates to companies, give the time limits associated with filing statutory documents, inform you of the charges and, where appropriate, show you how to complete the form and also what to do if your company's circumstances change. All the booklets are available to view or print free of charge on our website. Alternatively you can get copies by ringing our Contact Centre on 0870 33 33 636, or you may fax your request on 029 2038 0900.

■ **Compliance CD-ROM**

In addition a compliance CD-ROM is available free of charge, which gives advice on the completion of the most used Companies House forms and information about Companies House. You can get a copy from the same contact points given previously.

■ **Statutory forms**

We provide statutory forms free of charge. Many of the popular forms are available on our website and can be viewed and printed. A few can be filed directly over the web. You can also request forms via our website or by telephoning 0870 33 33 636. Forms can also be ordered by writing to Stationery Section in Cardiff or Edinburgh - the addresses are on the inside back cover.

■ **'Register' magazine**

We publish information on Companies House in our customer magazine, the Register, to some 25,000 customers on our mailing list. The magazine provides information about current topics of interest as well as details of new procedures, legal requirements and our performance against targets. The Register is available at all our offices and appears on our website. If you wish to be added to our mailing list you can write to: **Corporate Affairs, Companies House, Crown Way, Cardiff CF14 1ZZ.**

■ **Products and services**

We issue free products and services information. This can be obtained by ringing our Central Enquiry Unit on 0870 33 33 636.



■ Press Office

We provide a Press Office to act as a further communication avenue, helping the media to publish information on changes in legislation and policy, which affect our customers.

■ Seminars

We deliver two programmes of seminars:

We hold *daytime* seminars at our offices in Cardiff and Edinburgh. These are designed to provide new company directors and secretaries with information on their legal obligations. We invite new directors and secretaries to attend and publicise the seminars in the Register and on our website. For more information, please contact:

Tanya Lang
Exhibitions Co-ordinator
Tel: (029) 2038 0029
tlang@companieshouse.gov.uk

We hold *evening* seminars in towns and cities throughout the UK. These explain to our customers what we do and advise on all aspects of our activities. We invite a cross-section of the business community, e.g. accountants, solicitors, directors, company secretaries etc. We also issue press notices to local newspapers and we advertise the seminars in our customer magazine, the Register. If you would like more information on when and where the seminars are to be held please contact:

Philip Fox
Seminar Co-ordinator
Tel: (029) 2038 0893
pfox@companieshouse.gov.uk

■ Exhibitions

We attend a minimum of six exhibitions a year to raise public awareness of our organisation and to explain what we do and what our products and services are. We inform our customers of our attendance by advertising the exhibitions in our customer magazine, Register. The exhibition organisers also inform the business community by extensive advertising, which includes information about exhibitors. For complimentary tickets and further information on forthcoming exhibitions please contact:

Tanya Lang
Exhibitions Co-ordinator
Tel: (029) 2038 0029
tlang@companieshouse.gov.uk

additional services

- We issue press releases in selected newspapers and professional journals.
- We consult with our customers to seek their views on the feasibility of changes under consideration. Before making major changes we will always consult our customers and allow them sufficient time to make their view known.
- We publish our Annual Report and Accounts.
- We are continually updating the Companies House website.

welsh language

Communications in Welsh

We have Welsh-speaking staff to deal with enquiries from people who wish to use the Welsh language. Companies House has a Welsh language policy, which is available on our website. For more information on the use of Welsh, please contact:

Lee Jones
Customer Services
Tel: (029) 2038 0836
ljones@companieshouse.gov.uk

Documents in Welsh

If a company's memorandum and articles say that its registered office is to be in England and Wales we normally accept Welsh accounts and memorandum and articles and the certified English copy of that document. Companies House will also provide bilingual English/Welsh versions of some of our most commonly used forms: 363a (Annual Return); 287 (registered office); 288a, 288b and 288c (particulars of directors and secretaries); 225 (change of accounting reference date); 10 and 12 (incorporation); 30(5)(A) (exemption from the use of Welsh word for "Limited"); 652a and 652c (striking off); and the DCA (dormant company accounts proforma). These forms and others can be printed off from our web site.



communicating with us

Company directors have a personal obligation to make information about capital, structure, management and activities of their companies available both to members of the company and to the public.

Specifically, every company must deliver an Annual Return to the Registrar at least once every 12 months - the document is pre-printed with company information already held on the public record and most companies use this "shuttle" annual return (Form 363s) to make amendments, if any, prior to returning it. All limited and unlimited companies whether trading or not must keep accounting records. All limited companies are required to send their audited accounts to the Registrar within the prescribed time for delivery based on their "accounting reference date". Certain categories of small companies can claim exemption from audit provided they meet certain conditions, but must still submit accounts. Dormant companies need only file a special resolution and a balance sheet. A revised Guidance Booklet on Dormant Companies was published in May 2001.

Advice on disclosure requirements can be obtained by ringing the Contact Centre on 0870 33 33 636.

The Registrar also requires information on:

- appointments and resignations of the company's directors and secretary;
- changes to the company's registered office;
- changes in particulars of directors and secretary;
- details of shareholders;
- details of mortgages, charges and share capital;
- resolutions to change the memorandum and articles of association; and
- the company going into liquidation or receivership

If you fail to comply with your legal obligation

The absence of legally required information prevents the business community from making properly informed commercial decisions and denies everyone the protection they are entitled to by law when dealing with a limited company. If you fail to comply with your legal obligations, it may lead the Registrar to believe that the company is no longer in business or operation. This could result in the company being dissolved.

In the case of accounts, Companies House applies a system of Late Filing Penalties. These arise by the operation of law whenever accounts are delivered to the Registrar outside the statutory period.

Penalties apply to accounts filed late from the first day they are overdue. The amount of the penalty increases with time:

Length of delay <i>(measured from the date the accounts are due)</i>	Public company	Private company
3 months or less	£ 500	£100
3 months one day to 6 months	£1000	£250
6 months one day to 12 months	£2000	£500
More than 12 months	£5000	£1000

The Registrar has very limited discretion not to collect a penalty, where some unforeseen catastrophe has prevented accounts being filed on time. The Registrar cannot exercise discretion:

- where accounts are delayed or lost in the post
- where directors are let down by professional advisers
- where company officers are too busy to file accounts
- where company officers are unaware of their responsibilities
- where the company has not received Companies House reminder letters
- where the company is dormant with no assets
- where the company is a residents’ association.

In addition, company directors failing to comply with the Companies Act may:

- be prosecuted;
- end up with a criminal record; and
- be fined up to £5,000 for each and every offence.

customers with special needs

If you have a special need we will do all we can to help you when we respond. Among the special services that we provide are:

- text phones
- the use of large print to write letters audio copies of our published material facilities for disabled customers to use our information centres
- contact with representatives where customers' first language is not English.

cost of compliance & value for money

Value for money

As a public sector organisation we are committed to the efficient and economical delivery of services. Companies House targets cover:

- efficiency
- quality of service
- value for money

The careful management of our resources is reflected in meeting our value for money targets. Our Annual Report and Accounts show that we continue to better our financial targets, achieving reductions in the real costs of processing documents, against our targets.

As our fees are based on recovering costs, the financial efficiencies we make have a direct benefit for the customer. The development of our electronic services to date has helped to reduce fees in some areas.

When companies don't comply

There are some 1.8 million live companies on the register and approximately 96% of these comply with the statutory requirements. We pursue all companies that fail to deliver annual returns and accounts within the statutory periods. It is our practice to try and encourage companies to file and to take all necessary action to achieve compliance.

Failing to comply is a criminal offence. For those companies which do not deliver documents on time, the threat of criminal proceedings against the directors often proves successful. It should be emphasised that we do not prosecute directors simply to punish them: the procedure is intended as an incentive to comply when other methods have been unsuccessful.

The Registrar must ensure that our funds are used prudently and in accordance with procedures. Prosecutions are subject to financial constraints and must meet the criteria in the Code for Crown Prosecutors before we can issue criminal proceedings.

Nevertheless, in Great Britain, each year we prosecute around 1,800 directors of companies for failing to deliver annual accounts.

Our policy is to minimise the cost to businesses of complying with the regulations. Therefore, we will continue our commitment to the rigorous monitoring of our expenditure and sound financial management, at all levels.



Consistency

We aim to carry out our duties in a fair, equitable and consistent way.

Most of our staff are engaged in document examination and handling, or in making information available to the public. Others are involved in developing new products to meet customer expectations for access to information on companies.

We make this information available in a variety of formats, which reflect the diversity of our customer base.

The Companies Act, defines what information must be registered and gives the Registrar the power to prescribe the necessary forms on which the information must be delivered. Therefore, although our staff are expected to exercise judgement in many cases, the legal requirements promote consistency.

Monitoring

At Companies House we have well developed systems and methods for monitoring our performance.

Our targets are firstly announced by Ministers in Parliament and are published in our quarterly customer magazine The Register and on our web site.

Companies House produces an Annual Report and Accounts which are laid before Parliament each year. This is also shown on our web site.

All the Guidance Booklets listed below together with all our other published information is available on the Companies House website:

www.companieshouse.gov.uk

This booklet is available in Welsh, large print and audio tape on request.

Guidance Booklets

Formation and Registration

Company Formation	GBF1
Company Names	GBF2
Business Names	GBF3

Administration and Management

Directors and Secretaries Guide	GBA1
Annual Return	GBA2
Accounts and Accounting Reference Dates	GBA3
Auditors	GBA4
Late Filing Penalties	GBA5
Share Capital and Prospectuses	GBA6
Resolutions	GBA7
Company Charges and Mortgages	GBA8
Company Charges (Scotland)	GBA8(S)
Flat Management Companies	GBA9
Dormant Companies	GBA10

Winding-Up

Liquidation and Insolvency	GBW1
Liquidation and Insolvency (Scotland)	GBW1(S)
Strike-off, Dissolution and Restoration	GBW2
Strike-off, Dissolution and Restoration (Scotland)	GBW2(S)

how to contact us

Contact Centre: 0870 33 33 636
enquiries@companieshouse.gov.uk
www.companieshouse.gov.uk

Cardiff:

Companies House
Crown Way, Cardiff CF14 3UZ
Fax: 029 2038 0900

Edinburgh:

Companies House
37 Castle Terrace, Edinburgh EH1 2EB
Fax: 0131 535 5820

London:

Companies House
21 Bloomsbury Street, London WC1B 3XD
Fax: 029 2038 0900



AWARDED FOR EXCELLENCE



Companies House
— for the record —