



## **New penalties for late submission of HE32**

**6 November 2019 - The Cyprus Registrar of Companies has introduced new penalties for the late submission of the Company Annual Return (HE32), effective from the 18<sup>th</sup> of December 2019.**

As you may already be aware, all Cyprus companies have an obligation to file to the Registrar of Companies an Annual Return (HE32), which must be accompanied by the audited financial statements of the previous year.

Any delay in submitting the Annual Return will lead to the imposition of the following penalties:

- A €50 one-off penalty; and
- In addition, €1 will be charged for each day of delay during the first six months and then €2 for each day of delay after the first six months, up to a maximum total of €500.

Any penalties arising from late submission of Company Annual Returns will have to be paid to the Registrar of Companies at the time of submission.

### Company Annual Returns for all years up to 2018 inclusive

Annual Returns for all years up to 2018 inclusive should be submitted to the Registrar of Companies by 18 December 2019 in order to avoid the new penalties.

### Company Annual Returns for the year 2019 and future years

From 18 December 2019 onwards, Company Annual Returns for 2019 and future years must be submitted to the Registrar of Companies within 28 days from the date of their preparation in order to avoid the new penalties. For example, a 2019 Company Annual Return that has been prepared on 31 December 2019 must be submitted by 28 January 2020.

Since Annual Returns can only be submitted to the Registrar of Companies if they are accompanied by the audited financial statements of the previous year, it is imperative that you liaise with your auditors to ensure that audited financial statements are prepared on time and at the very latest within 12 months of the end of the relevant financial year.