

Abandoned, neglected or detrimental land

Dissolved companies

A company can own property. If the owner of neglected or abandoned property is a company, the first place to check whether the company is still in existence and where it is based is at Companies House: www.gov.uk/government/organisations/companies-house.

If the company has been dissolved, this will be shown in the company details at Companies House.

When a company is dissolved, its property is called *bona vacantia*, which is a legal term meaning that the property becomes owned by the Crown. The official representative of the Crown is the Queen's and Lord Treasurer's Remembrancer (QLTR): www.qltr.gov.uk.

QLTR can then decide whether to claim or disclaim the property. QLTR has 3 years from becoming aware of such property to decide whether to disclaim or not (N.B. not 3 years from the date when the company was dissolved). Any decision to disclaim is published in the Gazette: www.thegazette.co.uk.

If QLTR have not disclaimed the property, a company can be restored to the Companies House register by the Registrar of Companies and claim back the property from QLTR. If QLTR have disclaimed the property, the dissolved company's right to the property ceases to exist.

There are limits on the restoration of a company: this must be done within 6 years of when the company was dissolved, and must be done by a former director of the company. The former director has to apply to the Sheriff Court for a court order. The requirements are set out in the Companies Act 2006.

Steps to take:

- 1 Find out if the property is owned by a company.
- 2 Check whether the company has been dissolved, and when.
- 3 Check whether QLTR know about the property.
- 4 Check whether QLTR has disclaimed the property.
- 5 If there is no QLTR disclaimer, be aware that a dissolved company can be restored within 6 years and so claim the property back from QLTR. QLTR can sell the property, at full market value.
- 6 If there is a QLTR disclaimer, QLTR cannot sell the property. If this is the case, there are other options.