



Companies House

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Chief Executive of Companies House and
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G8 Declaration....

“3. Companies should know who really owns them and tax collectors and law enforcers should be able to obtain this information easily.”



Beneficial ownership:

*“We need to know who really owns and controls our **companies**. Not just who owns them legally, but who really benefits financially from their existence. This summer at the G8 we committed to do just that – to establish a central register of company beneficial ownership. And today I’m delighted to announce that not only is that register going to go ahead - but that it’s also going to be open to the public.”*

Prime Minister David Cameron

*A stronger economy depends on investors, employees and the wider public having trust and confidence in companies and those that are running them. We believe a public register, listing those who really own companies makes Britain a better place to invest and do business. **People have a right to know who controls UK companies** and greater openness will help tackle tax evasion, money laundering and other crimes.*

Secretary of State Dr. Vince Cable



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Beneficial ownership:



The Small Business, Enterprise and Employment Act



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beneficial
owners



people with
significant control



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People with significant control (PSC)

- The UK legislation requires companies to keep information in a **Register of People with Significant Control** - '*PSC Register*'
- In certain circumstances a legal entity must be noted in the register ('**relevant legal entities**' or '**RLEs**')



People with significant control (PSC)

5 conditions:

1. Ownership of more than 25% shares
2. Ownership of more than 25% voting rights
3. Ownership of right to appoint or remove a majority of the board of directors
4. Right to exercise significant influence or control
5. Right to exercise significant influence or control over a trust or firm (*which trust or firm would be a PSC, were it an individual*)



People with significant control (PSC)

Data:

- Full name
- Service address
- Country or state of usual residence
- Nationality
- Full date of birth (*only month and year publicly available*)
- Usual residential address (*not publicly available*)
- Date on which PSC obtained control
- The nature of his or her control over the company



People with significant control (PSC)

Getting Data:

- Companies must take **reasonable steps**.
- **Criminal offence** for company and/or PSC.
 - Failure by company to take reasonable steps to obtain PSC information and keep it up to date.
 - Failure to respond to company's notice to provide information, or knowing or reckless provision of false information.
- Shares may also be subject to restrictions by the company.



People with significant control (PSC)

Register:

- PSC data provided to Companies House when the company is incorporated.
- PSC data will be updated at least once every 12 months as part of the new register **confirmation statement**.
- The confirmation statement will show **all** changes that have occurred in-year.

Future - move to event driven updates



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People with significant control (PSC)

Register Access:

- Public data **except**:
 - The full date of birth (*only the month and year will be shown on the public register*)
 - The usual residential address
- Individuals **at serious risk of harm** will be able to apply to prevent disclosure.
- Specified public authorities (UK and overseas) will have access to protected data on request.



People with significant control (PSC)

Free Public Data:

- The best way to meet the UK's objectives of
 - Tackling the misuse of companies
 - Promoting good corporate behaviour
- Public access gives the quickest access
- Improves accuracy - *“many eyes improves quality”*
- Confidential information will remain confidential





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