

## 1. Introduction

This note is relevant to a Charity Company Limited by Guarantee set up in the form of a Charity Company Limited by Guarantee.

As a result of the Small Business, Enterprise and Employment Act 2015 (SBEE), from 6 April 2016 every CCLG must set up a "PSC register", as explained below.

This note is only intended to provide a brief introduction to the requirements of the SBEE in relation to PSC registers. You also need to read the more comprehensive [Guidance on People with Significant Control](#) in the PSC Registers group. We recommend that you also read the guidance in the PSC Registers group and to the Government's guidance comprehensively covering the requirements for directors/trustees and secretaries of companies.

## 2. Who does the PSC regime apply to?

From 6<sup>th</sup> April 2016 all CCLGs must set up a PSC register to keep information about people with significant control over the company. The aim of the PSC regime is to increase transparency about the ownership/control of CCLGs. Although a CCLG does not have shareholders – a CCLG does have members.

A PSC register cannot be set up for charities, their officers (directors, trustees, secretaries) and those required to provide the relevant information is liable for a fine of up to £5,000 and/or two years imprisonment and/or both.

If a CCLG has a subsidiary company, the PSC regime will also apply to that company.

## 3. Who is exempt from the PSC regime?

A charity which is a CIO, or a trust, is exempt from the PSC regime.

## 4. What are the key features of the PSC regime?

CCLGs will have to:

- keep a register of the people with significant control over them – the PSC register;
- take reasonable steps to identify those who are registrable on the PSC register;
- enter the required information on the PSC register;
- provide the information on the PSC register;
- monitor and update the PSC register when it makes its changes and updates.

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## 5. Who is a person with significant influence of a CCLG?

An individual who meets the following four conditions (PSC Conditions) in relation to a CCLG:

- directly or indirectly hold the rights to appoint or remove the majority of the directors (trustees);
- directly or indirectly hold the rights to exercise, significant influence or control; and/or
- hold the rights to exercise, significant influence or control over the activities of the CCLG, even if it is not a legal entity, but which would satisfy any of the conditions if it were an individual.

## 6. Compiling the PSC Register

A CCLG must take reasonable steps to determine whether any individual or legal entity meets the conditions for being a PSC. It may be necessary to take reasonable steps, the CCLG cannot identify the person or confirm that the person is not a PSC. The Government's guidance on the steps a CCLG should typically take in order to identify its PSCs is available [here](#).

## 7. Significant influence or control

The bullet point conditions refer to, “**significant influence or control**”. The Government's guidance on the meaning of this term is available [here](#).

The guidance provides that certain individuals, such as lawyers, accountants and financial advisers etc if they are acting as a CCLG are operating within the parameters of their professional role. They would not therefore require registration in the CCLG's PSC Register.

## 8. Serving of Notices

A CCLG must take reasonable steps to determine whether it has any registrable PSCs and, if so, to identify them. Please see details of how to do this in the **Guidance on the PSC Regime**.

There are also proactive measures within the legislation on registrable PSCs to notify and supply information if he/she/it knows he/she/it has a registrable interest, but the CCLG has not received notice about it from the CCLG.

## 9. The Register

The Companies Act 2006 requires that must be included in a PSC Register.

For an individual, this includes:

Name

Service Address (if applicable)	
Country/State/Part of UK	
Nationality	
Date of Birth	
Usual residential address	
Date first became registered	
Nature of control	
Restrictions in force	

For a legal entity, this includes:

Name of legal entity, i.e. company name	
Registered or principal office	
Legal form of entity and country of origin	
If applicable, any registered address (including details of the state) and its registration number	
Date RLE first became registered	
Nature of control	

The PSC Register must be kept up to date and must never be empty.

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## 10. Public information

CCLGs must keep their PSC register at its registered office or at the Companies House. Anyone (an individual or a company) with a proper purpose may have access to the company's register for an optional fee.

A CCLG can keep its PSC register at its registered office provided it has notified Companies House. Anyone with a proper purpose may have access to the company's register for an optional fee.

## 11. Conclusion

For many CCLGs, identifying RLEs is straightforward, but this is not always the case under the PSC regime. Therefore, CCLGs should ensure that their secretaries and administrators are aware of the **Guidance on the PSC Register** and that the CCLG seeks legal advice as required.

Identifying RLEs should be relatively straightforward, but this is not always the case with some of the requirements of the PSC regime. Therefore, CCLGs should ensure that their directors, trustees, secretaries and administrators are aware of the PSC regime, that they read the **Guidance on the PSC Register**, and that the CCLG seeks legal advice as required.