

A register of members (or register of members) is required to be kept in accordance with section 113 of the Companies Act 2006. The register of members is prima facie evidence of who owns the shares (and certificates). A person only becomes a member of a company and without an entry on the register of members of the company.

1. Responsibility for maintenance of the register

The company directors are responsible for the register of members. This responsibility is often delegated to the company secretary or a company administrator. Some companies appoint a company administrator as registrar, thereby outsource the responsibility. This is of particular interest to larger companies where shares are transferred more regularly.

2. How the register should be maintained

Historically companies have kept the register of members in a single bound book. Today companies are expected to be capable of being able to keep the register of members in a form that should adopt a method that is clear, concise and accurate record.

3. Where the register should be kept

A company has various options for where to keep its register of members (and other statutory registers). The options are:

- at the company's registered office;
- at a single alternative location (SAIL);
- at the central register of members at Companies House.

Registered Office

The most obvious and likely option is to keep the register of members at the company's registered office. There may however be practical reasons for not doing this for some companies and therefore the Companies Act provides for alternative options, including keeping its statutory registers at a SAIL.

SAIL

A SAIL is an alternative location where a company can keep its statutory records and make them available for public inspection.

statutory register that every company must keep in accordance with the Companies Act 2006. The register of members is of vital importance. It is the definitive record of who owns the shares they hold (ahead of share certificates). A person only becomes a member of a company if their name is added to the register of members and is not recognised as a shareholder of the company.

responsibility for maintaining the register of members. This responsibility is often delegated to the company secretary (if there is one) or a company administrator. Some companies appoint a specialist company to act as registrar, thereby outsourcing the responsibility. This may be of particular interest to larger companies whose shares are likely to be transferred more regularly, and where the register of members needs to be updated.

Historically companies have kept the register of members in loose leaf binders or in a single bound book. Today companies are expected to be capable of being able to keep the register of members in a form that should adopt a method that is clear, concise and accurate record. This may be of particular interest to larger companies whose shares are likely to be transferred more regularly, and where the register of members needs to be updated.

A company has various options for where to keep its register of members (and other statutory registers). The options are:

- at the company's registered office;
- at a single alternative location (SAIL); and
- at the central register of members at the Registrar of Companies at Companies House.

The most obvious and likely option is to keep the register of members at the company's registered office. There may however be practical reasons for not doing this for some companies and therefore the Companies Act provides for alternative options, including keeping its statutory registers at a SAIL.

A SAIL is an alternative location where a company can keep its statutory records and make them available for public inspection. It must be located in the same part of the United Kingdom as the company's registered office.

of the UK as the company's principal place of business. Companies registered in England, Wales, Scotland and Northern Ireland are only allowed one SAIL for their statutory registers. If a company has more than one SAIL, the work to maintain the register is split out at the SAIL.

If a company chooses to have its statutory registers at a SAIL, it must notify Companies House of this change (Notification of SAIL) and AD03 (Change of location of company's registered office, form AD04 must be filed.) within 14 days of any change.

Note that a company is only allowed one SAIL for all its statutory registers and therefore it cannot have one SAIL for its register of members and another for other statutory registers, for example its register of directors.

Central Register

Private companies have had the option of keeping the information that must be recorded in their statutory registers on the central public register maintained by Companies House. This includes the information that is normally included in the register of members.

As the register of members is available on the central register, the members must agree to this when they register at Companies House and the information on keeping statutory registers at Companies House is allowed in respect of the register of members can be accessed.

4. The contents of the register of members

The register of members must contain the following information:

- the name of each shareholder (and their identifying numbers);
- the contact address of each shareholder;
- the number and class of shares held by each shareholder (and their identifying numbers);
- the amount paid or agreed to be paid for each share;
- the date on which the shareholder was registered as a member; and
- the date on which the shareholder ceased to be a member (if applicable).

There are certain points to note regarding the register of members above; firstly joint holders of shares are treated as a single person for the purposes of the register of members. Therefore only a single name should be stated in the register, but all names of the joint holders should be given.

Secondly, some companies include other additional information in the register of members, for example email address and dividend mandate instructions etc. Whilst this information is included in the register of members, care needs to be taken as to how this information is stored, as well as the fact that the register of members is available to the public and it may not be appropriate for this additional information to be widely available.

It may therefore be necessary to maintain a separate register containing prescribed information and other information for internal use.



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5. Indexing the register

If a company has more than one member, so that individual members' names are not easily found, the register must be kept with the register of members. The index must be kept up to date; changes to the register must be reflected in the index within 14 days after the date the change occurs.

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6. Single member companies

If a company only has one member, a statement must be made in the register of members. This statement must include the date when this change occurred. If the membership falls (e.g. the member dies), the statement must be amended to reflect that the change occurred.

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7. Who should be listed as members

All shareholders should be listed in the register of members. Those who hold shares in the company should be listed in the register and should not be listed in the register of members.

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- if shares are held by a nominee rather than the beneficial owner, the nominee is the legal owner. However, the beneficial owners may need to be listed in the register of members. The PSC regime aims to improve transparency and prevent the "real" owners from hiding behind nominees. See [here](#);
- trusts and partnerships. It is likely that the trust or partnership will be listed as the legal owners;
- LLPs have legal identity and should be listed as members;
- unexercised shares should be listed as members.

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8. Data protection and the register

As companies must by statute keep a register of members, they are per se exempt from data protection laws.

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A register of members (and the register of directors) will have information and data about a company's members. This information, in certain circumstances, be subject to the Data Protection Act 2018 (DPA) and the Data Protection Act 2018 (DPA). The DPA provides that the UK's data protection laws do not apply where a company's register of members is available to a member of the company. See the Companies Act 2006 (see [here](#)).

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9. Updating the register

The initial entries in the register are made when the company is first incorporated. This includes the names of the shareholders. Thereafter the register should be promptly and accurately updated if any of the following occur:

- new shares are issued;
- shares are reorganised or redeemed;
- a share transfer occurs (including by operation of law (e.g. on a shareholder's death)); and
- any shareholder changes their name or address.

Updates to the register must generally need to be reported to Companies House; however, certain transactions do not require notification to Companies House, for example:

- share allotments made to existing members of the company (section 554 of the Companies Act 2006 states that a company must update its register of members as soon as practicable and in any event within 2 months of the allotment; and
- section 771 states that a company (provided the transfer is not being refused) must be registered in its register of members as soon as practicable and in any event within 2 months of the transfer being lodged with Companies House.

It is also worth noting that the names of former members who have ceased to be members need to be included in the register for ten years after they have ceased to be members.

Failure to keep the register up to date is a criminal offence and the company and its officers may be fined. It can also make a company's accounts more difficult to audit.

10. Removing entries

Entries of former members who have ceased to be members must be included in the register for ten years after they have ceased to be members.

11. Access to the register

The right to access a company's register of members is more limited under the Companies Act 2006 than under the Companies Act 1985. In addition the replacement of the annual general meeting with the replacement of the annual general meeting means it is now more difficult to identify a company's members.

However there are still rights of access to the register of members under the Companies Act 2006. In accordance with section 116, a person seeking to inspect the register must submit a request to the company. This request must include their name and address and the reasons for their request.

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name and address, the person to whom the information was provided and whether the information was provided to that person (including their details and the purpose for which the information was provided).

It is an offence to knowingly or recklessly provide information in a statement in a section 116 request that is misleading, false or otherwise incorrect.

Where a company receives a copy of a request to inspect the register, it has five working days from the receipt of the request to advise the person making the request whether the company believes the request is for a proper purpose. If a company believes the request is not for a proper purpose, it can refer the request to court. The company must also advise the person making the request if the request is being made in connection with a criminal investigation.

When a person inspects the register, the company must inform the person whether the information in the register and index is up to date, and whether the information has been made up.

As this is a technical area, it is advisable to seek independent legal advice if a company is expecting to receive (or suspects they are not being given) such requests, particularly if it is a small business.

12. Rectifying the register

It is important that the register is kept up to date. If incorrect entries are made, they can be difficult to correct and often cause a company or its members to do so. The company or any member of the company may apply to court for rectification if a member's name is wrongly entered or has been removed from the register or there has been an unnecessary delay in amending the register.

The court has the power to order a company to apply to have their name removed from the register.

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