



Companies (Audit, Investigations and Community Enterprise) Act 2004

2004 CHAPTER 27

PART 2

COMMUNITY INTEREST COMPANIES

Requirements

30 Cap on distributions and interest

- (1) Community interest companies must not distribute assets to their members unless regulations make provision authorising them to do so.
- (2) If regulations authorise community interest companies to distribute assets to their members, the regulations may impose limits on the extent to which they may do so.
- (3) Regulations may impose limits on the payment of interest on debentures issued by, or debts of, community interest companies.
- (4) Regulations under this section may make provision for limits to be set by the Regulator.
- (5) The Regulator—
 - (a) may set a limit by reference to a rate determined by any other person (as it has effect from time to time), and
 - (b) may set different limits for different descriptions of community interest companies.
- (6) The Regulator must (in accordance with section 27)—
 - (a) undertake appropriate consultation before setting a limit, and
 - (b) in setting a limit, have regard to its likely impact on community interest companies.

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(7) Regulations under this section may include power for the Secretary of State to require the Regulator to review a limit or limits.

(8) Where the Regulator sets a limit he must publish notice of it in the Gazette.

Commencement Information

II S. 30 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), [Sch. 3](#)

31 Distribution of assets on winding up

(1) Regulations may make provision for and in connection with the distribution, on the winding up of a community interest company, of any assets of the company which remain after satisfaction of the company's liabilities.

(2) The regulations may, in particular, amend or modify the operation of any enactment or instrument.

Commencement Information

I2 S. 31 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), [Sch. 3](#)

32 [^{F1}Articles of association]

(1) The [^{F2}articles] of a community interest company must state that the company is to be a community interest company.

^{F3}(2)

(3) The [^{F4}articles] of a community interest company of any description—

- (a) must at all times include such provisions as regulations require to be included in the [^{F4}articles] of every community interest company or a community interest company of that description, and
- (b) must not include such provisions as regulations require not to be so included.

(4) The provisions required by regulations under subsection (3)(a) to be included in the [^{F5}articles] of a community interest company may (in particular) include—

- (a) provisions about the transfer and distribution of the company's assets (including their distribution on a winding up),
- (b) provisions about the payment of interest on debentures issued by the company or debts of the company,
- (c) provisions about membership of the company,
- (d) provisions about the voting rights of members of the company,
- (e) provisions about the appointment and removal of directors of the company, and
- (f) provisions about voting at meetings of directors of the company.

(5) The [^{F6}articles] of a community interest company are of no effect to the extent that they—

- (a) are inconsistent with provisions required to be included in the [^{F7}articles] of the company by regulations under subsection (3)(a), or

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- (b) include provisions required not to be included by regulations under subsection (3)(b).
- (6) Regulations may make provision for and in connection with restricting the ability of a community interest company [^{F8}to amend its articles so as to add, remove or alter a statement of the company's objects].

Textual Amendments

- F1** S. 32 heading substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(2)** (with art. 10)
- F2** Word in s. 32(1) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(3)** (with art. 10)
- F3** S. 32(2) omitted (1.10.2009) by virtue of The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(4)** (with art. 10)
- F4** Word in s. 32(3) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(5)** (with art. 10)
- F5** Word in s. 32(4) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(6)** (with art. 10)
- F6** Word in s. 32(5) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(7)(a)** (with art. 10)
- F7** Word in s. 32(5)(a) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(7)(b)** (with art. 10)
- F8** Words in s. 32(6) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), art. 1(2), **Sch. 1 para. 223(8)** (with art. 10)

Commencement Information

- I3** S. 32 in force at 1.7.2005 by S.I. 2004/3322, art. 2(3), **Sch. 3**

33 Names

- (1) The name of a community interest company which is not a public company must end with—
- “community interest company”, or
 - “c.i.c.”.
- (2) [^{F9}In the case of a Welsh company, its name may instead] end with—
- “cwmni buddiant cymunedol”, or
 - “c.b.c.”,
- F10**
...
- (3) The name of a community interest company which is a public company must end with—

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- (a) “community interest public limited company”, or
 - (b) “community interest p.l.c.”.
- (4) [^{F11}In the case of a Welsh company, its name may instead] end with—
- (a) “cwmni buddiant cymunedol cyhoeddus cyfyngedig”, or
 - (b) “cwmni buddiant cymunedol c.c.c.”,

^{F12}
...

^{F13}(5)

^{F14}(6)

Textual Amendments

- F9** Words in s. 33(2) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 224(2)(a)** (with art. 10)
- F10** Words in s. 33(2) omitted (1.10.2009) by virtue of [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 224(2)(b)** (with art. 10)
- F11** Words in s. 33(4) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 224(2)(a)** (with art. 10)
- F12** Words in s. 33(4) omitted (1.10.2009) by virtue of [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 224(2)(b)** (with art. 10)
- F13** S. 33(5) omitted (1.10.2009) by virtue of [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 224(3)** (with art. 10)
- F14** S. 33(6) repealed (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 2** (with art. 10)

Commencement Information

- I4** S. 33 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), **Sch. 3**

34 Community interest company reports

- (1) The directors of a community interest company must prepare in respect of each financial year a report about the company’s activities during the financial year (a “community interest company report”).
- (2) [^{F15}Regulations must make provision] requiring the directors of a community interest company to deliver to the registrar of companies a copy of the community interest company report.
- (3) Regulations—
 - (a) must make provision requiring community interest company reports to include information about the remuneration of directors,
 - (b) may make provision as to the form of, and other information to be included in, community interest company reports, and

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- (c) may apply provisions of ^{F16}...^{F17} the Companies Act 2006] relating to directors' reports to community interest company reports (with any appropriate modifications).
- (4) The registrar of companies must forward to the Regulator a copy of each community interest company report delivered to the registrar by virtue of this section.

Textual Amendments

- F15** Words in s. 34(2) substituted (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 2(2), **Sch. 1 para. 234(2)(a)** (with arts. 6, 11, 12)
- F16** Words in s. 34(3)(c) repealed (6.4.2008) by [The Companies Act 2006 \(Consequential Amendments etc\) Order 2008 \(S.I. 2008/948\)](#), art. 2(2), **Sch. 1 para. 234(2)(b)**, **Sch. 2** (with arts. 6, 11, 12)
- F17** Words in s. 34(3)(c) substituted (1.10.2007) by [Companies Act 2006 \(Commencement No.3, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/2194\)](#), art. 1(3)(a), **Sch. 4 para. 104** (with art. 12)

Commencement Information

- I5** S. 34 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), **Sch. 3**

35 Community interest test and excluded companies

- (1) This section has effect for the purposes of this Part.
- (2) A company satisfies the community interest test if a reasonable person might consider that its activities are being carried on for the benefit of the community.
- (3) An object stated in the ^{F18}articles] of a company is a community interest object of the company if a reasonable person might consider that the carrying on of activities by the company in furtherance of the object is for the benefit of the community.
- (4) Regulations may provide that activities of a description prescribed by the regulations are to be treated as being, or as not being, activities which a reasonable person might consider are activities carried on for the benefit of the community.
- (5) “Community” includes a section of the community (whether in ^{F19}the United Kingdom] or anywhere else); and regulations may make provision about what does, does not or may constitute a section of the community.
- (6) A company is an excluded company if it is a company of a description prescribed by regulations.

Textual Amendments

- F18** Word in s. 35(3) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 225** (with art. 10)
- F19** Words in s. 35(5) substituted (6.4.2007) by [The Companies Act 2006 \(Commencement No. 2, Consequential Amendments, Transitional Provisions and Savings\) Order 2007 \(S.I. 2007/1093\)](#), art. 1(3), **Sch. 4 para. 5** (with art. 11(1))

Commencement Information

- I6** S. 35 in force at 1.7.2005 by [S.I. 2004/3322](#), art. 2(3), **Sch. 3**

Changes to legislation:

There are currently no known outstanding effects for the Companies (Audit, Investigations and Community Enterprise) Act 2004, Cross Heading: Requirements.