



# Charities Act 2011

## 2011 CHAPTER 25

### PART 10

#### CHARITABLE COMPANIES ETC.

##### *Disclosure of charitable status by companies*

#### **194 Requirement to disclose charitable status**

- (1) Where a charitable company's name does not include the word "charity" or "charitable", the fact that the company is a charity must be stated in legible characters—
  - (a) in every location, and in every description of document or communication, in which it is required by regulations under section 82 of the Companies Act 2006 to state its registered name, and
  - (b) in all conveyances purporting to be executed by the company.
- (2) Where a company's name includes the word "elusen" or "elusenol" (the Welsh equivalents of "charity" and "charitable"), subsection (1) does not apply in relation to any document that is wholly in Welsh.
- (3) The statement required by subsection (1) must be in English, except that, in the case of a document that is otherwise wholly in Welsh, the statement may be in Welsh if it consists of or includes the word "elusen" or "elusenol".
- (4) In subsection (1)(b) "conveyance" means any instrument creating, transferring, varying or extinguishing an interest in land.

#### **195 Civil consequences of failure to make required disclosure**

- (1) This section applies to any legal proceedings brought by a charitable company to which section 194 applies to enforce a right arising out of a contract or conveyance in connection with which there was a failure to comply with that section.

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*Status: This is the original version (as it was originally enacted).*

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- (2) The proceedings must be dismissed if it is shown that the defendant to the proceedings—
- (a) has a claim against the company arising out of the contract or conveyance that the defendant has been unable to pursue because of the company's failure to comply with section 194, or
  - (b) has suffered some financial loss in connection with the contract or conveyance because of the company's failure to comply with that section,
- unless the court before which the proceedings are brought is satisfied that it is just and equitable to permit the proceedings to continue.
- (3) This section does not affect the right of any person to enforce such rights as that person may have against another in any proceedings brought by the other.

### **196 Criminal consequences of failure to make required disclosure**

- (1) Where a charitable company fails, without reasonable excuse, to comply with section 194, an offence is committed by—
- (a) the company, and
  - (b) every officer of the company who is in default.
- (2) For this purpose a shadow director of the company is treated as an officer of the company if the failure is to comply with section 194(1)(a) and that person would be treated as an officer of the company for the purposes of the corresponding requirement of regulations under section 82 of the Companies Act 2006.
- (3) A person guilty of such an offence is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding 10% of level 3 on the standard scale.
- (4) Expressions used in this section have the same meaning as in section 84 of the Companies Act 2006 (criminal consequences of failure to disclose company's registered name).