
STATUTORY INSTRUMENTS

2011 No. XXXX

COMPANIES

The Companies Act 2006 (Annual Returns) Regulations 2011

Made - - - - - ***

Laid before Parliament ***

Coming into force - - - - - *1st October 2011*

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 857, 1167 and 1292(1) of the Companies Act 2006(a).

Citation and commencement and application

1.—(1) These Regulations may be cited as the Companies Act 2006 (Annual Returns) Regulations 2011.

(2) These Regulations come into force on 1st October 2011 and apply in relation to annual returns made up to that date or a later date.

Contents of annual return: general

2. In section 855(b) of the Companies Act 2006 (contents of annual return: general)—

(a) omit subsection (1)(f); and

(b) in subsection (4)—

(i) before the definition of “return period” insert—

““DTR5 issuer” means an issuer to which Chapter 5 of the Disclosure Rules and Transparency Rules sourcebook issued by the Financial Services Authority applies;

“relevant market” means any of the markets mentioned in article 4(1) of the Financial Services and Markets Act 2000 (Prescribed Markets and Qualifying Investments) Order 2001(c); and”;

(ii) omit the definition of “traded company” and “non-traded company” and the word “and” immediately before that definition.

Information about shares and share capital

3.—(1) In section 856(d) of that Act (contents of annual return: information about share capital)—

(a) for subsection (1) substitute—

(a) 2006 c.46.

(b) Section 855 was amended by S.I. 2008/3000, regulations 2, 3 and 4.

(c) S.I. 2001/996, amended by S.I. 2005/381 and 2007/126.

(d) Section 856 was amended by S.I. 2008/3000, regulation 7.

“(1) The annual return of a company having a share capital must also contain the following information.

(1A) The return must contain a statement of capital.”; and

(b) after subsection (2) insert—

“(2A) The annual return must also state whether any of the company’s shares were, at any time during the return period, shares admitted to trading on a relevant market or on any other market which is outside the United Kingdom.

(2B) If any of the company’s shares were shares admitted to trading as mentioned in subsection (2A), the annual return must also state whether both of the following conditions were satisfied throughout the return period—

(a) there were shares of the company which were shares admitted to trading on a relevant market;

(b) the company was a DTR5 issuer.”

(2) Accordingly, in the heading for that section, before “share capital” insert “shares and”.

Information about shareholders

4.—(1) In section 856A(a) of that Act (contents of annual return: information about shareholders: non-traded companies)—

(a) for subsection (1) substitute—

“(1) This section applies to the annual return of a company none of whose shares were, at any time during the return period, shares admitted to trading on a relevant market or on any other market which is outside the United Kingdom.”; and

(b) in subsection (2) before “contain” insert “also”.

(2) For section 856B(b) of that Act (contents of annual return: information about shareholders: traded companies) substitute—

“856B Contents of annual return: information about shareholders: certain traded companies

(1) This section applies to the annual return of a company any of whose shares were, at any time during the return period, shares admitted to trading on a relevant market or on any other market which is outside the United Kingdom.

(2) But this section does not apply to the annual return of a company if throughout the return period—

(a) there were shares of the company which were shares admitted to trading on a relevant market, and

(b) the company was a DTR5 issuer.

(3) The annual return of a company to which this section applies must also state, in respect of each person who held at least 5% of the issued shares of any class of the company at the end of the date to which the return is made up—

(a) the person’s name and address (as they appear in the company’s register of members); and

(b) the number of shares of each class held by the person at that time.

(a) Section 856A was inserted by S.I. 2008/3000, regulation 7.

(b) Section 856B was inserted by S.I. 2008/3000, regulation 7.

(4) The return must conform to the following requirements for the purpose of enabling entries relating to any given person to be easily found—

- (a) the entries must be listed in alphabetical order by name; or
- (b) the return must have annexed to it an index that is sufficient to enable the name of the person to be easily found.”

Consequential amendments

5. In Schedule 8 to that Act, omit the entries for “non-traded company (in Part 24)” and “traded company (in Part 24)”(a).

Classification system for company’s principal business activities

6.—(1) In regulation 6 of the Companies Act 2006 (Annual Return and Service Addresses) Regulations 2008(b)—

- (a) in paragraph (1) for “2003” substitute “2007”; and
- (b) for paragraph (2) substitute—

“(2) In paragraph (1), “Standard Industrial Classification 2007” means the UK Standard Industrial Classification of Economic Activities 2007, prepared by the Office for National Statistics and published by Palgrave Macmillan with the permission of the Office of Public Sector Information (OPSI) with ISBN number 978-0-230-21012-7.”

(2) In column 1 of the table in Schedule 2 to those Regulations—

- (a) for “7499” substitute “74990”;
- (b) for “9800” substitute “98000”; and
- (c) for “9999” substitute “99999”.

Date *Name*
[Minister for Employment Relations, Consumer and Postal Affairs,]
Department for Business, Innovation and Skills

(a) The entries for “non-traded company (in Part 24)” and “traded company (in Part 24)” were inserted by S.I. 2008/3000, regulation 9.
(b) S.I. 2008/3000.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are concerned with the information which must be included in a company's annual return under the Companies Act 2006 (c.46) and the Companies Act 2006 (Annual Return and Service Addresses) Regulations 2008 (S.I. 2008/3000) ("the 2008 Regulations").

Regulation 2 amends section 855 of the Companies Act 2006. It removes the requirement for an annual return to state whether the company was a traded company at any time during the return period (see now new section 856(2A) and (2B)). Regulation 2 also adds to section 855 a definition of the expression "DTR5 issuer" (used in sections 856 and 856B as amended by these Regulations) and a definition of the expression "relevant market" (used in sections 856, 856A and 856B, as amended). It repeals the definition of "traded company" and "non-traded company".

Regulation 3 amends section 856 of the Companies Act 2006. It requires a company with a share capital to provide particular information relating to the trading of its shares during the return period.

Regulation 4 amends section 856A and replaces section 856B of the Companies Act 2006. These sections deal with the information about shareholders and shareholdings which is required in an annual return. Section 856A does not currently apply to a company any of whose shares were admitted to trading on a regulated market (defined in section 1173) at any time during the return period. It is amended so that it also does not apply to a company any of whose shares were admitted to trading on any other "relevant market" (defined in section 855, as amended), or any other market outside the United Kingdom, at any time during the return period.

New section 856B applies to all the companies now excluded from section 856A, except that it does not apply to a company which, throughout the return period, had shares admitted to trading on a "relevant market" and was a company of the kind covered by the issuer's obligations under Chapter 5 of the Disclosure Rules and Transparency Rules sourcebook issued by the Financial Services Authority. Less information about shareholders and shareholdings is required under new section 856B than was required under old section 856B. The Disclosure Rules and Transparency Rules sourcebook is available at www.fsahandbook.info/FSA/html/handbook/DTR.

Regulation 5 makes consequential amendments to Schedule 8 to the Companies Act 2006.

Regulation 6 amends the 2008 Regulations so that they now prescribe the 2007 edition of the UK Standard Industrial Classification of Economic Activities for the purposes of section 855(3) of the Companies Act 2006. It also amends the additional codes in Schedule 2 to the 2008 Regulations. Section 855(1)(b) requires a company's annual return to state its principal business activities and section 855(3) permits this information to be given by reference to one or more categories of any system of classifying business activities which is prescribed by regulations or order. The 2007 edition of the UK Standard Industrial Classification of Economic Activities, together with the additional codes and designations in Schedule 2 to the 2008 Regulations as amended, is now the prescribed system. Copies of the UK Standard Industrial Classification of Economic Activities are available from Palgrave MacMillan Ltd, Houndmills, Basingstoke, Hampshire, RG21 6XS or at www.palgrave.com/ons, or from the Office for National Statistics at www.statistics.gov.uk.

A full regulatory impact assessment of the effect that these Regulations will have on the costs of business and the voluntary sector is available from the Company Law and Governance Directorate, Department for Business, Innovation and Skills, 1 Victoria Street, London SW1H 0ET or from www.bis.gov.uk and is annexed to the Explanatory Memorandum which is available alongside these Regulations on www.legislation.gov.uk.