

NEW MANDATORY AND PUBLICLY AVAILABLE REGISTERS WILL DISCLOSE ULTIMATE INDIVIDUAL CONTROLLERS OF MOST UK COMPANIES AND ALL ENGLISH LAW LLPS

Date: 3 March 2016

Corporate/M&A Alert

By: Philip J. Morgan, Craig D. Fraser, Pratik Shah

The Small Business, Enterprise and Employment Act 2015 introduces important reforms by the UK Government aimed at increasing transparency over the ownership and control of UK companies and English law LLPs^[1]. One of the most significant changes, being introduced on 6 April 2016, is a requirement on companies and LLPs to maintain a mandatory statutory register of certain "people with significant control" ("registrable PSCs"), who are generally individuals^[2]. This PSC register is also required to contain details of so-called registrable relevant legal entities ("registrable RLEs"). Registrable PSCs and registrable RLEs are persons who are deemed to have significant control by virtue of meeting one or more of five conditions in relation to the relevant company or LLP and who satisfy certain other conditions. Similar requirements are being introduced on the same date for Societas Europaea.

Most of the information recorded on a company's or LLP's PSC register, including the identity of any registrable PSC or registrable RLE, must be made publicly available by way of the company's or LLP's first annual Confirmation Statement (which is replacing the current annual return with effect from 30 June 2016).

The new statutory regime is complex, and a detailed process is mandated for the gathering and confirming of necessary information by companies and LLPs. In addition, the regime creates many new criminal offences for breach.

Whilst certain details of the PSC regime for companies and LLPs remain to be finalised, there is no provision for a transitional period for compliance when the rules take effect on 6 April 2016. Accordingly all companies and LLPs required to have a PSC register should now be taking steps to ensure that they will have a properly completed PSC register from that date.

To download the full alert, please [click here](#).

NOTES:

^[1] i.e., LLPs registered under the Limited Liability Partnerships Act 2000. The PSC requirements as they apply to LLPs will come into force under the Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016 (currently in draft form) ("LLP PSC Regulations") by amending the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009.

^[2] Or can also be local or national governments or corporations sole.

KEY CONTACTS



PHILIP J. MORGAN
PARTNER

LONDON
+44.20.7360.8123
PHILIP.MORGAN@KLGATES.COM



CRAIG D. FRASER
PARTNER

LONDON
+44.20.7360.8161
CRAIG.FRASER@KLGATES.COM

This publication/newsletter is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer. Any views expressed herein are those of the author(s) and not necessarily those of the law firm's clients.