

An Update from Stanley Davis Group

Issue no. 20
September 2009

Companies Act 2006 – Final Implementation Looming

With major changes in company law just days away, now is the time to consider how your business will be affected. Contact us for a free summary of the changes and advice on the vital question – Should we update the Articles of Association?

Our new Service Address facility

The Companies Act 2006 introduced new provisions for the keeping of registers of directors (sections 163-165) that come into effect on 1st October 2009. These new provisions allow individual directors to file a service address that is separate from their home address.

Under the new provisions two registers will need to be maintained:

- A register of directors, containing service addresses; and
- A register of directors' residential addresses, containing the usual residential address of each of the company's directors.

If a director's usual residential address is the same as his service address, the register of directors' residential addresses should contain an entry to that effect.

The new provisions do not apply to corporate directors which must provide details of their registered office address.

Company secretaries will only be required to provide a service address.

Residential Address

The residential address will be "protected information" and will remain confidential, even after the individual ceases to be a director of a company (note exceptions below).

The following will be able to obtain directors' residential addresses:

- Specific public bodies for carrying out their public functions (such as the Police and HMRC)
- Credit reference agencies for vetting applications for credit and associated work, and to meet obligations under the Money Laundering Regulations 2007. Vulnerable directors will be able to apply to the Registrar of Companies for their addresses not to be provided to credit reference agencies.

A director may choose to use his residential address as his service address. The fact that the two addresses are the same would not be apparent from the public record.

Credit reference agencies will not be able to obtain the usual residential address of any director who is the beneficiary of a valid confidentiality order on 30 September 2009, or who has made a successful application to the Registrar of Companies on the grounds that he is:

- at serious risk of violence or intimidation as a result of the activities of a company of which he is a director;
- or has been employed by the Police or security services.

Service Address

The service address shall be a public record.

A company will be prohibited from disclosing a director's residential address, or the fact that his address is his usual residential address (protected information), without his consent, except to comply with an obligation to send information to the Registrar of Companies or when required by Court.

A service address may be the director's residential address, the company's registered office or another address at which the director can be contacted. The address must be where documents can be delivered and an acknowledgement or receipt can be provided if required. The address cannot be a PO Box or a DX number.

If the company is in default any letters addressed to the director will be sent to the service address. Section 243 of the Companies Act 2006 also allows the Registrar to use a director's home address to communicate with the director concerned and, subject to certain conditions, to disclose information to a public authority or credit reference agency.

The legislation relating to the service address allows the Registrar to ban the use of the service address for 5 years and to place the usual residential address on the public register if the service address is found to be ineffective. To minimise the exposure to this, we will require a signed undated CH01 (CHANGE OF DIRECTOR DETAILS FORM) to be held on our files (see terms and conditions).

The provision of service address facility will also include forwarding any official mail received from Companies House and the Inland Revenue. If you would like to additionally opt for our general mail forwarding facility then please advise.

We are able to provide the following as a service address:

Fees (excluding VAT)	
1 st Floor, 41 Chalton Street, London NW1 1JD	£75 per annum
3 rd Floor, White Rose House, 28a York Place, Leeds LS1 2EZ	£75 per annum
3 Inns Quay, Dublin 7, Ireland	£100 per annum
Mail / Fax forwarding service	£250 per annum

We will require the following documents:

1. The provisions of the Money Laundering Regulations 2007 will apply to this service. We will therefore require the following from the director requesting the service address facility:
 - a) Certified passport copy;
 - b) Original or certified recent utility bill (within the last 3 months).

2. Signed but undated CH01 (CHANGE OF DIRECTOR DETAILS FORM) for the change of service address (see our terms and conditions) to be held on our files;
3. Signed client agreement.

Changes to our website

We have been regularly sending out documents to our clients, informing them of the important changes that are about to take place on 1st October, particularly with reference to new company incorporations. Many clients have since contacted us, asking about how the changes will affect our formations website. The differences you will notice are as follows:

1. You will no longer be asked for an authorised share capital figure as this concept will no longer exist. Instead you will be asked for the aggregate value and currency of the shares to be issued for the statement of capital. When you are completing the officers and shareholders of the company, you will be asked to allot the issued shares to the relevant person.
2. You will be asked for the residential address of each director and secretary. As explained above, this information is not for public record but still has to be recorded by Companies House. You will then be asked for the service address – if this is the same as the residential address, then just tick the box. If not, then the service address details must be completed.
3. Clients will no longer have the option of downloading the memorandum and articles of association from the website. We will be happy to send you a PDF copy of the memorandum and articles of your company by email after it has been incorporated. The charge for this will be £5 plus VAT.
4. We have upgraded the site so that many of the problems that we are currently aware of have been removed.

Companies House service availability – a reminder

Between Wednesday 30 September and Monday 5 October inclusive Companies House will undertake extensive work on its systems to implement the new regime. During this time there will be some disruption to Companies House's services.

Same day services provided by Companies House Information and Contact Centres (including for example same day paper processing of incorporations and changes of name) will not be available from 3pm on 30 September until 5 October.

On-line filing services will also be affected to varying degrees during this period.

On-line information services will be closed over the weekend of 3 and 4 October and may close early on Friday 2 October

Any electronic incorporations filed on 1st and 2nd October will be held but not processed until Monday 5th. Sameday incorporations will cease at 3pm on 30th September and will not then be available until the 5th. Certificates of incorporation will still be dated as at date of receipt.

If you anticipate needing a company urgently at the start of October, you are advised to consider incorporating one before that date. Stanley Davis have a large stock of 'readymade' companies – please contact us for further details.

Protect your business with Stanley Davis Credit Reports

Stanley Davis is pleased to announce the launch of a new service. You can now order credit reports online showing the full details of a company including up to 5 years of account information, details of directors and shareholders, details of CCJ's and charges against the company. There is also a recommended credit limit for you to use to identify possible credit risks in your business.

For further details of this new instant and low cost service go to:

<http://creditreports.stanleydavis.co.uk/Home.aspx>

Come and see us at Law Autumn 2009

Stanley Davis is sponsoring part of the Law Autumn 2009 exhibition at Olympia, the largest exhibition for the legal profession in the UK. The conference on the Companies Act 2006 will take place on 30th September from 9:30am to 5.20pm, and is being chaired by our managing director Andrew Davis. We will also have a stand at the exhibition, which runs from 29th September until 1st October. For further details please contact the Solicitors Group on 01332 226601.

Stanley Davis has specialised in company and property services for over 40 years. Details of our full range of services, can be viewed at www.stanleydavis.co.uk, or please email us at info@stanleydavis.co.uk.

We look forward to hearing from you.

*Stanley Davis Group Limited
41 Chalton Street, London NW1 1JD
Tel: 020 7554 2222 Fax: 020 7554 2201*