
STATUTORY INSTRUMENTS

2005 No. 1788

The Community Interest Company Regulations 2005

PART 2

The community interest test and excluded companies

Political activities not to be treated as being carried on for the benefit of the community

3.—(1) For the purposes of the community interest test the following activities are to be treated as not being activities which a reasonable person might consider are activities carried on for the benefit of the community:

- (a) the promotion of, or the opposition to, changes in—
 - (i) any law applicable in Great Britain or elsewhere; or
 - (ii) the policy adopted by any governmental or public authority in relation to any matter;
- (b) the promotion of, or the opposition (including the promotion of changes) to, the policy which any governmental or public authority proposes to adopt in relation to any matter; and
- (c) activities which can reasonably be regarded as intended or likely to—
 - (i) provide or affect support (whether financial or otherwise) for a political party or political campaigning organisation; or
 - (ii) influence voters in relation to any election or referendum.

(2) But activities of the descriptions prescribed in paragraph (1) are to be treated as being activities which a reasonable person might consider are activities carried on for the benefit of the community if—

- (a) they can reasonably be regarded as incidental to other activities, which a reasonable person might consider are being carried on for the benefit the community; and
- (b) those other activities cannot reasonably be regarded as incidental to activities of any of the descriptions prescribed in paragraph (1).

Other activities not to be treated as being carried on for the benefit of the community

4. For the purposes of the community interest test, an activity is to be treated as not being an activity which a reasonable person might consider is an activity carried on for the benefit of the community if, or to the extent that, a reasonable person might consider that that activity benefits only the members of a particular body or the employees of a particular employer.

Section of the community

5. For the purposes of the community interest test, any group of individuals may constitute a section of the community if—

- (a) they share a readily identifiable characteristic; and
- (b) other members of the community of which that group forms part do not share that characteristic.

Excluded companies

6. For the purposes of section 35(6) of the 2004 Act, the following are excluded companies:
- (a) a company which is (or when formed would be) a political party;
 - (b) a company which is (or when formed would be) a political campaigning organisation; or
 - (c) a company which is (or when formed would be) a subsidiary of a political party or of a political campaigning organisation.