



Companies (Audit, Investigations and Community Enterprise) Act 2004

2004 CHAPTER 27

PART 2

COMMUNITY INTEREST COMPANIES

Change of status

55 Becoming a charity or a Scottish charity: decisions etc.

- (1) On receiving under section 54 the copies of the special resolutions, the memorandum and articles as altered by the special resolutions and the statement, the registrar must (instead of recording the special resolutions and entering a new name on the register)
 - (a) forward a copy of each of the documents to the Regulator, and
 - (b) retain them pending the Regulator's decision.
- (2) The alterations of the memorandum and articles made by the special resolutions are to take effect only as provided by this section.
- (3) The Regulator must decide whether the company is eligible to cease being a community interest company.
- (4) The company is eligible to cease being a community interest company if it has complied with section 54 and none of the following applies—
 - (a) the Regulator has under section 43 appointed an auditor to audit the company's annual accounts and the audit has not been completed,
 - (b) civil proceedings instituted by the Regulator in the name of the company under section 44 have not been determined or discontinued,
 - (c) a director of the company holds office by virtue of an order under section 45,
 - (d) a director of the company is suspended under section 46(3),

Status: This is the original version (as it was originally enacted).

- (e) there is a manager in respect of the property and affairs of the company appointed under section 47,
 - (f) the Official Property Holder holds property as trustee for the company,
 - (g) an order under section 48(2) or (3) is in force in relation to the company,
 - (h) a petition has been presented for the company to be wound up.
- (5) The Regulator must give notice of the decision to the registrar of companies (but the registrar is not required to record it).
- (6) If the Regulator gives notice of a decision that the company is eligible to cease being a community interest company, section 28(6) of the Companies Act 1985 (c. 6) (registration of new name) applies; and if the registrar of companies enters the new name of the company on the register he must also retain and record the special resolutions and the statement.
- (7) On the date on which the certificate of incorporation is issued the alterations to the company's articles and memorandum made by the special resolutions take effect and the company ceases to be a community interest company.
- (8) If the Regulator decides that the company is not eligible to cease being a community interest company, the company may appeal to the Appeal Officer against the decision.