

Government adopts ICSA's views on Proper Purpose

14 December 2007: Stephen Timms, the Minister of State for Competitiveness has today submitted a written statement to Parliament providing details of the final commencement timetable for the Companies Act 2006. BERR has also incorporated ICSA's recommendation on Proper Purpose which will come into effect in April. The ICSA's guidance note on Proper Purpose published earlier this year identified several reasons that we believed should be viewed as improper, such as those obtaining information with intent to commit identity fraud and other unlawful behaviour, intent to harass or intimidate shareholders and any other purpose not related to shareholders' capacity as members of the company.

Today's announcement confirms that the clauses relating to work that needs to be undertaken by Companies House will not now be implemented until October 2009, and the majority of the remainder will continue to be implemented in October 2008. Roger Dickinson, ICSA's Chief Executive commented: 'We are pleased that the new timetable has been published before the year end. This will allow companies and advisers to prepare their corporate timetables early in the New Year. It is also appreciated that BERR took on board interested parties' views, including those of the ICSA and its members, resulting in a workable timetable which represents a balance between small and large entities preferences and also those of Companies House'

ICSA are one of the advisory bodies working with BERR on the implementation of the Act.

Ends

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Editors Notes

The Institute of Chartered Secretaries and Administrators (ICSA) is the qualifying body for company secretaries and a leading authority on corporate governance. It publishes guidance notes and best practice guides and through its subsidiaries provides events, information and training, boardroom performance evaluation and dedicated software. The ICSA has 47,000 members worldwide and is represented in over 70 countries. For further details see www.icsa.org.uk