



Community Interest Companies

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Community Interest Companies

“CIC”

- What are community interest companies?
- Why were they established?
- What are the additional requirements?
- Eligibility & Is it for You?
- Applications and the Office of the Regulator

What are Community Interest Companies?

- Limited liability companies for social enterprises
- “Social enterprises” deliver social and environmental change.
- Set up under company law in Great Britain.
- Created by the Companies (Audit, Investigations and Community Enterprise) Act 2004 and the Community Interest Company Regulations 2005

Why introduce Community Interest Companies?

- Gap identified in the range of options available
- A strong new brand
- Governance understood by funders and lenders
- Light touch regulation
- Demand led by the social enterprise community
- Office opened 25 July 2005 & over 450 incorporated

Additional Requirements for a Community Interest Company

- The Community Interest Test
- The Asset Lock
- The Community Interest Company Report

Eligibility to form a Community Interest Company

- Politically motivated organisations
- Unduly restrictive communities
- Charities
- Charities can form a CIC trading subsidiary
- Activities must be lawful

Is it for you?

- Limited liability
- Familiar and flexible legal structure of a company
- The branding and asset lock
- Transparency and light touch regulation
- No tax advantages

Description of incorporated Community Interest Companies

- Throughout every region of Great Britain
- Diverse from village shops to large companies
- Providing benefit to children and adults countrywide and locally.

How are they formed?

- Clear guidance
- Website www.cicregulator.gov.uk
- Incorporated by the Registrar of Companies
- Process is as simple as possible
- Work closely with other Regulators and government departments to reduce bureaucracy

Culture and Attitude of the Office of the Regulator

- Approachable and helpful
- All contacts responded to within 48 hours
- Act on feedback
- First annual survey very encouraging

Contact details

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