

TRADING DISCLOSURES- Companies Act 2006 and Companies (Trading Disclosures) Regulations 2008

The purpose behind the trading disclosure regulations is so that anybody that is dealing with a company knows the identity of who they are dealing with and what its limited liability status is.

The trading disclosure requirements were previously covered under the Companies Act 1985 and the Business Names Act 1985. The provisions in the Companies Act 1985 were repealed in October 2008 and replaced by Companies (Trading Disclosures) Regulations 2008. The Business Names Act 1985 will be repealed on 1 October 2009 but many of the provisions will be re-enacted under the Part 41 of the Companies Act 2006 (and many are already covered under the Companies (Trading Disclosures) Regulations 2008).

What are the trading disclosure requirements?

The registered name of the company must be clearly displayed at the registered office, at any other premises at which it carries on business, and at any location at which it keeps its records available for inspection. As from October 2009 there are some exemptions to some of these requirements in certain circumstances where a liquidator or administrator has been appointed, or if the registrar is prohibited from disclosing addresses of directors to a credit reference agency.

A company is also required to display its registered names in: business letters, notices and official publications; bills of exchange, promissory notes, endorsements and order forms; cheques and orders signed by or on behalf of the company; invoices, demands for payments, receipts, letters of credit and bills of parcels; its website; applications for licences to carry on trade or activity; and all forms of business correspondence and documentation.

A company is also required to display the following information on all stationery (including emails) and on the company's website, namely: its name; registered number; registered office; the part of the UK in which it is registered; the fact that it is a limited company (if it is exempt from using the word 'limited' or if it is a community interest company); the fact that it is an investment company (if it is such a company); and if the company's business letter includes the name of a director (other than in the text or as a signatory) the letter must disclose the name of every director .

All displays must be in characters that can be read by the naked eye.