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STATUTORY INSTRUMENTS

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**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.