

# Company Investigations

What we do.

## What we do

Company Investigations has the power to investigate limited companies where information we receive suggests corporate abuse; this may include serious misconduct, fraud, scams or sharp practice in the way the company operates.

We have been given this power by the Companies Acts.

We acknowledge receipt of all complaints in writing.

After receiving a complaint we assess it and consider whether:

- we can investigate the complaint, and
- it is in the public interest to investigate the company against which the complaint has been made.

As part of this process, we may ask you for more information or do our own background research, or both. We don't approach the company at this stage and we don't tell the company that we have received a complaint from you.

If we are satisfied that there is sufficient 'good reason' and that it is in the public interest to do so, we will investigate. We have the power to demand information, but the law allows us only to pass on the results to specified people and organisations.

Our investigations are confidential, so we don't tell:

- company directors the specific reasons why we are investigating their company,
- the company being investigated who the complainant is,
- the complainant whether or not we have decided to investigate a company,
- the complainant what we have found if we do investigate a company.

We carry out fact-finding investigations; they are not criminal investigations, even though they may be about criminal behaviour. We don't have to restrict our enquiries to what was in the original complaint, and if we find things that concern us, we can take action, set out below under 'Possible outcomes after an investigation'.

Not all the complaints we get are relevant for us to deal with. We can only consider complaints that we have the legal power to deal with. If we decide not to investigate a company, we may pass on the information to another regulator, as they may be in a better position to investigate or act on the complaint. If we do so, we will tell you.

We issue a press release when we complete any follow-up action. We will also tell you if we take proceedings in the public interest (e.g. winding up the company or disqualifying a director).

## Contact us

If you want to contact Company Investigations write to:

Intelligence Operations Reception  
Investigations & Enforcement Services  
The Insolvency Service  
3<sup>rd</sup> floor, Cannon House  
18 Priory Queensway  
Birmingham  
B4 6FD

Email: [Intelligence.Live@insolvency.gsi.gov.uk](mailto:Intelligence.Live@insolvency.gsi.gov.uk)

Tel: 0845 601 3546

## What we cannot do

We do not have the power to investigate:

- sole traders or partnerships, unless they have limited liability;
- companies that don't have a business address in England, Wales, Scotland or Northern Ireland;
- companies that have been dissolved.

We don't usually investigate companies that are:

- in compulsory liquidation;
- being investigated by someone else, such as the police or another regulator.

We also cannot:

- help you resolve any differences you have with a company;
- help you recover any money a company owes you;
- intervene in any dispute between a company and its shareholders; or
- resolve a dispute within a company's own management.

We are also not allowed to comment on whether or not a company is reputable, or give you references (credit or otherwise) for a particular company.

In any of these circumstances, it might be more appropriate for you to seek independent advice. Other regulators or organisations may be able to provide advice, but they may charge a fee. You should always check what this fee is when you contact them. Or you may prefer to seek independent legal advice.

## Possible outcomes after an investigation

If we decide to investigate a company because this is in the public interest, there are several possible outcomes:

- our investigation may show there is no cause for concern, so no action will be taken against the company;
- if it appears to be in the public interest, we can apply to the court to wind up the company and stop it trading;
- if the conduct of the directors who run the company is questionable enough, we can instigate proceedings to disqualify them from managing a limited company for a period up to 15 years. This will make it an offence for them to take part in managing a company. They will still be able to conduct a business but without limited liability;
- the information we obtain can be disclosed to a prosecuting authority to prosecute the company or its directors;
- the investigation may give us information that we can pass to another regulatory body that has more appropriate powers to deal with any concerns the investigation uncovers;
- we can give a company and its directors a warning and ask them to improve their conduct.

## Standards of service you can expect

We have set targets for the time in which we aim to consider your complaint, and the time in which we aim to complete any investigation that may follow. These are set out in the table below:

<b>Standard</b>	<b>Target</b>
<b>Complete our consideration of complaints within 2 months</b>	<b>90%</b>
<b>Complete our investigations within 6 months</b>	<b>90%</b>

We also aim to:

- consider complaints in a timely fashion;
- carry out confidential enquiries in the most cost-effective way;
- complete follow-up action efficiently and effectively, including petitioning for winding up companies if it is in the public interest;
- monitor and measure the cost and effectiveness of our activities.

## **Further information**

You can get further information from our website:  
<http://www.insolvency.gov.uk>

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