

# Vince Cable fails to step up to the mark on beneficial ...

Published: January 13, 2026, 8:58 am

---

The following was published by BIS this morning:

### **WRITTEN MINISTERIAL STATEMENT**

*Rt Hon, Dr Vince Cable, Secretary of State For Business, Innovation and Skills,*

*DEPARTMENT FOR BUSINESS, INNOVATION AND SKILLS*

*Publication of Discussion Paper on Transparency and Trust 15 July 2013*

*Today I am publishing a discussion paper which sets out a range of proposals to enhance the transparency of UK company ownership and increase trust in UK business. These measures will help prevent illegal activity; better enable companies to be held to account; and provide businesses, investors, employees and consumers with confidence that companies are acting fairly. They will support the development of a business environment where companies and individuals can operate and invest with confidence.*

*The first part of the paper puts forward measures to ensure we know who really owns and controls UK companies, following our G8 commitments on preventing the misuse of companies. The main elements of this section of the paper include:*

*1. Options for the implementation of a central registry of information on companies' beneficial ownership, maintained by Companies House.*

*We propose that the registry would hold information on individuals with an interest in more than 25 per cent of the shares or voting rights in a company, or who otherwise control the way the company is run. We consider whether information in the registry should be made public, what information is to be provided and how it is to be updated.*

*2. A proposal to prohibit the issue of bearer shares. Bearer shares allow the owner of the shares to remain hidden as their name is not disclosed on a company's register of members. The paper proposes that holders of existing bearer shares should be given a set period of time to convert these shares to ordinary registered shares.*

*3. Options to enhance transparency around the use of nominee directors, including whether they should be required to disclose their status to Companies House and who they are acting for. While nominees can be used in legitimate commercial scenarios, their use can allow the true owners of a company to remain hidden.*

*4. A proposal to abolish companies from being appointed as directors ('corporate directors'). Although rarely used in the UK, these can result in complex corporate ownership structures which hide the beneficial owner's true identity.*

There is a second half of this paper which deals with penalties - but it is so inadequate that I will ignore it for now and just consider the above.

The difficulty with what is proposed is that it is also so inadequate. First, on the beneficial ownership register [as I have shown almost](#) no company regulation is enforced now - so unless the issue of resources at Companies House is addressed this register will not be policed either.

Second, there is no verification process in this proposal. It is clear that we are to rely solely on self certification by those committing crime as to their true identity. That is absurd. We need a system where banks must supply this data for all companies for whom they open accounts. Nothing less will do or this process is a farce.

Third, 25% is too high a figure - 10% is much more realistic and all related parties must be taken into account.

Fourth, not having this on public record makes it meaningless and gives the public no protection.

Fifth, what happens in the first twenty one months of the life of the company where no data need be supplied now? Is fraud on that period acceptable? What measures will be taken on that?

Sixth, what penalties will there be for non-disclosure? Unlimited liability is the most basic requirement.

Seventh, why is there no mention of imposing a duty on company formation agents or Companies House itself to prove identity?

I could, and will go on in due course.

Turning to bearer shares, it is shocking the UK still has these. They just need to be banned, as do corporate and nominee directorships - all of which are licence for abuse.

If this is the best we get from Lough Erne then the government's best is not good enough by a long way.