

UK Private Limited Company

General	
Type of entity	Private Limited
Type of law	Common
Shelf company availability	Yes
Our time to establish a new company	1 day
Minimum government fees (excluding taxation)	Not Applicable
Corporate Taxation	20%-24% (23% from 1 st April 2013)
Double taxation treaty access	Yes
Share Capital or Equivalent	
Standard currency	GBP
Permitted currencies	Any
Minimum paid up	£1
Usual authorised	£1,000
Directors or Managers	
Minimum number	One
Local required	No
Publicly accessible records	Yes
Location of meetings	Anywhere
Members	
Minimum number	One
Publicly accessible records	Yes
Location of meetings	Anywhere
Company Secretary	
Required	No
Local or qualified	No
Accounts	
Requirement to prepare	Yes
Audit requirements	Yes, but small company exemption
Requirement to file accounts	Yes
Publicly accessible accounts	Yes
Other	
Requirement to file Annual Return	Yes
Change in domicile permitted	Yes, but subject to approval of Inland Revenue

GENERAL INFORMATION

Introduction

A "custom-made" UK company formation has many advantages over an "off-the-shelf" company. It is usually more economical to incorporate a company with the client's choice of name, directors, shareholders and authorised share capital than to purchase a shelf company and restructure the company.

The intended location of the registered office must be stated from the outset. If they wish, clients may be named as the first director and secretary (if one is required).

A same day incorporation service is available from Companies House for an additional fee.

COMPANY INFORMATION

Type of Company for International Trade and Investment

Private ("Ltd") or Public Limited Company ("PLC").

Procedure to Incorporate

Submission of Memorandum and Articles of Association, Declaration of Compliance and Statement of the First Directors and Secretary and notification of the location of the Registered Office with the requisite fee to Companies House.

Restrictions on Trading

Yes, for specified groups, which include banking, insurance, financial services, consumer credit and related services.

Legal Powers of Company

A Company incorporated in the United Kingdom has the same powers as a natural person.

Language of Legislation and Corporate Documents

English or Welsh.

Registered Office Required

Yes, must be maintained in the United Kingdom.

Name Restrictions

Any name that is identical or too similar to an existing company; any name which would be considered offensive or suggests criminal activity;

Any name that suggests the patronage of the Royal Family or which implies an association with Central or Local Government of the United Kingdom.

Names Requiring Consent or Licence

Restricted names which usually require a licence or other Government Authority include the use of the following words:- assurance, bank, benevolent, building society, Chamber of Commerce, fund management, insurance, investment fund, loans, municipal, reinsurance, savings, trust, trustees, university or their foreign language equivalents for which the approval of the Secretary of State is first required.

Language of Documentation

Whilst the name of company can be in any language, the documentation must be in English. Any name in a language other than English must be accompanied by a certified translation to ensure that the name is not restricted. However, if the company is incorporated in Wales, documentation in Welsh will be accepted.

Disclosure of Beneficial Ownership to Authorities

No, but disclosure may in certain circumstances be required for accounting purposes. (Accounts must be filed and are available for inspection by the public).

Authorised and Issued Share Capital

Private Limited Companies have a minimum authorised share capital of £1 or its currency equivalent. The minimum issued capital is one share, but additional capital is usually issued to reflect the stability and strength of the company.



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Classes of Shares Permitted

The normal category of shares are ordinary shares but, subject to the circumstances of the company, they may be preference shares, deferred shares, redeemable shares and shares with or without voting rights.

Taxation

Corporation tax (which includes Capital Gains Tax) is paid by UK companies based upon accounts, which are submitted to the HM Revenue & Customs and the Registrar of Companies at the end of the company's financial year. A company is free to choose its financial year-end. Companies pay corporation tax at the rate of 20% where the net profit before tax does not exceed £300,000.

Tax rates on profits over £1,500,000 is at 24% (reducing to 23% from 1st April 2013). The main rate of Corporation Tax applies when profits (including ring fence profits) are at a rate exceeding £1,500,000, or where there is no claim to another rate, or where another rate does not apply.

Double Taxation Agreements

The United Kingdom is party to more double tax treaties than any other sovereign state.

Licence Fees

None.

Financial Statement Requirements

All UK companies are required to file accounts prepared in statutory form with the Registrar of Companies and the HM Revenue & Customs whether trading or not. These accounts need to include:

- a directors' report signed by a director or the company secretary (if one is appointed);
- a balance sheet signed by a director;
- a profit and loss account (or income and expenditure account if the company is not trading for profit);
- notes to the accounts; and
- group accounts (if appropriate).

Companies whose annual turnover does not exceed £5,600,000 may qualify for an Audit Exemption and are not required to file independently audited accounts and in such cases the directors must self-certify the accounts.

To qualify as a small company, at least two of the following conditions must be met:

- annual turnover must be £6.5 million or less;
- the balance sheet total must be £3.26 million or less;
- the average number of employees must be 50 or fewer.

To qualify for total audit exemption, a company must

- qualify as small (see above)

Directors

A private company must have at least one natural person as a director who may be of any nationality and need not reside in the UK.

Company Secretary

Since 6th April 2008 the appointment of a company secretary has been optional.

Important Note

The UK system of taxation, subject to conditions, offers commercial opportunities to reduce tax payable for those engaged in international business. Further information is available on request.

Disclaimer

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