

## UK – PRIVATE LIMITED COMPANY

### Type of Company for International Trade and Investment

Private Limited Company.

### 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 situation 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 related services and employment agencies.

### Powers of a Company

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

### Language of Legislation and Corporate Documents

English.

### Registered Office Required

Yes, must be maintained in the United Kingdom.

### Shelf Companies Available

Yes.

### Time Scale to Incorporate

Ten to fifteen working days or one day on payment of an additional fee to Companies House.

### Name Restrictions

Any name that is identical or similar to an existing company; any name which would be considered offensive or suggests criminal activity; or any name that suggests the patronage of the Royal Family or the Government of the United Kingdom. Restricted names include the use of the following words:- assurance, bank, benevolent, building society, Chamber of Commerce, fund management, insurance, investment fund, loans, municipal, reinsurance, reinsurance, savings, trust, trustees, university or their foreign language equivalents for which the approval of the Secretary of State is first required.

### Language of Name

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.

### Names Requiring Consent or License

Banking and all financial services activities such as insurance.

### Suffixes to Denote Limited Liability

Limited Company or the relevant abbreviations.

### 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).

### Compliance

#### Authorized and Issued Share Capital

Private Company - The minimum issued capital is one share, but further capital is usually issued to reflect the stability and strength of the company. A private company is normally incorporated with an authorized share capital of £1,000.

### **Classes of Shares Permitted**

Ordinary shares, preference shares, deferred shares, redeemable shares and shares with or without voting rights.

**T a x a t i o n**

Taxation is paid by companies in the UK based upon audited accounts, which are submitted to the Inland Revenue at the end of the company's financial year. A company is free to choose its own year-end. Companies pay capital gains tax and corporation tax at the rate of 19% where the net profit before tax does not exceed £300,000. The tax payable increases thereafter in stages until the net profit before tax reaches £1.5 million where the top rate of corporation tax is charged at the rate of 30%. These limits for the lower and higher rate of corporation tax apply to the total profits (worldwide) of group companies and associated companies. Obtaining the lower rate of tax can be problematic for UK companies owned outside the UK.

### **Double Taxation Agreements**

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

### **License Fees**

None.

### **Financial Statement Requirements**

All UK companies are required to file accounts prepared in statutory form with the Registrar of Companies and the Inland Revenue. Companies whose annual turnover does not exceed £1,000,000 are not required to file independently audited accounts and in such cases the directors must self-certify the accounts.

**D i r e c t o r s**

A private company must have at least one director and a public company must have at least two directors. Directors may be natural persons or bodies corporate. They may be of any nationality and need not reside in the United Kingdom.

### **Company Secretary**

A company secretary must be appointed. The company secretary may be a natural person or a body corporate. They can be of any nationality and need not reside in the United Kingdom.

**S h a r e h o l d e r s**

For private companies, the minimum number of shareholders is one and for public companies the minimum number is two.