Federal Ministry
Republic of Austria
Finance

Country-specific Information United Kingdom of Great Britain and Northern Ireland

Beneficial Owner Registry Authority

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The Country-specific Information is intended to help identify and verify the beneficial owners with regard to relevant foreign legal entities. It offers an initial overview of the legal framework, main legal forms and the sources of information available in the respective jurisdictions regarding the identification and verification of beneficial owners.

Please note that the information provided in this document is not intended to provide a complete overview over the legal system of the jurisdictions concerned and does not constitute a binding assessment by the Austrian Federal Ministry of Finance. The responsibility for the assessment of the documentation requirements for each legal form and the identification and verification of the jurisdictions concerned lies with the legal entities and the obliged entities.

1.1 General information

The United Kingdom does not have a single legal system, but combines **English law**, **Northern Ireland law** and **Scots law.** Both English law, which applies in England and Wales, and Northern Ireland law are based on **common-law principles**, while Scots law is a hybrid system based on both common-law and civil-law principles.

The main legal basis for UK Company Law is the **Companies Act 2006** (relevant for the whole UK), which also governs the company registration matters regarding the UK **Companies House.**

1.2 Registers

1.2.1 Companies House register

Companies House is the registry for **all UK limited companies**. The register is **online** and **free to access** via https://www.gov.uk/government/organisations/companies-house.

Every registered company must send to the register information about its activities, annual accounts and who controls it. It must also give details of its directors, who are responsible for running the company. The company has to keep these details up to date during its lifetime.

1.2.2 Person of Significant Control (PSC) register

The UK's public register of company beneficial ownership, the **People with Significant Control (PSC) register**, went live in June 2016. It has more than 4.9 million names of people with significant control over UK registered companies.

Companies must provide information to Companies House on the **PSCs and the nature of their control** over the company. Where control is exercised by virtue of **holding shares** in the company, the company must report the bracket within which the size of the shareholding falls:

- More than 25% but less than 50%
- More than 50% but less than 75%
- More than 75%.

Companies must provide this information upon registration, companies must also inform Companies House within 14 days of registering a change in PSC.

PSC information is freely accessibly and held on the public register at **Companies House.**

The following entities are required to report PSC information:

- Limited Companies
- Limited Liability Partnerships
- Scottish Qualifying Partnerships (certain types of Scottish Partnership that have legal personality)
- Unregistered Companies
- Societas Europeas

1.3 General information on legal forms

The following legal forms are available in the United Kingdom:

1.3.1 Corporate entities

Incorporated legal forms:

- limited company
- limited liability partnership (LLP)
- community interest company (CIC)
- charitable incorporated organisation (CIO)
- industrial and providential society
- financial mutuals

Unincorporated legal forms:

- Unincorporated Association
- Partnership
- Limited Partnership

The distinguishing feature of unincorporated forms is that they have no separate legal personality.

1.3.2 Trusts

- Trust

1.3.3 Foundations and similar legal entities

Foundations are not regulated in UK law.

1.3.4 Legal arrangements similar to trusts

There are no legal arrangements similar to trusts in UK law.

1.4 Detailed information on specific legal forms

1.4.1 Limited Company (LTD)

Limited companies are the **predominant legal entity** used in business. They can be limited by **share** or **guarantee** (share is much more common).

Companies are 'incorporated' to form an entity with a separate legal personality. This means that the organisation can do business and enter into contracts in its own name.

On incorporation under the **Companies Act 2006**, a company is required to have two constitutional documents:

- a **Memorandum**, which records the fact that the initial members (the subscribers) wish to form a company and agree to become its members. The Memorandum cannot be amended; and
- the **Articles of Association** – often just referred to as the Articles – which are essentially a contract between the company and its members, setting the legally binding rules for the company, including the framework for decisions, ownership and control. The Companies Act 2006 provides significant flexibility to draw up articles to suit the specific needs of the company, provided it acts within the law.

A Limited Company is owned by its members – those who have invested in the business – and as the name suggests they enjoy limited liability – i.e. the company's finances are separate from the personal finances of their owners and as a general rule creditors of the business may only pursue the company's assets to settle a debt. The personal assets of the owners are not at risk. There are two mechanisms for company membership:

Company Limited by Shares: Most companies fall into this category. Members each own one or more shares in the company and are therefore known as shareholders. Shareholders' limited liability means that they only stand to lose what they have already invested or committed to invest (amounts unpaid on shares).

Company Limited by Guarantee: Members of the company give a guarantee to pay a set sum if the company should go into liquidation.

A company must have **at least one member**.

Day to day management of a company is nominally separate from its ownership and undertaken by a **director** or **board of directors**, with the core principle that they act in the interest of the company and its members. However, directors may also be members, thus the simplest form of Limited Company is a single member who owns the whole company and is also its sole director. A company must have at least one director (public companies described below must have two) and at least one director must be a real person.

Companies are **registered at Companies House**, and it is the directors' responsibility to maintain the company's public records – including annual accounts and an annual return about the company – and to file them at Companies House. They must notify Companies House of changes in the structure and management of the business.

A Company Limited by Shares is either a **Private Limited Company (Ltd)** or a **Public Limited Company (PLC**, see chapter below).

Proof of existence:

- Companies House register (free access)

Proof of ownership:

- Register of members/ shareholder register:

  UK companies are required to keep registers of members (shareholders) which detail share ownership. The register of members contains the **following information** on each member

  - Name
  - Address
  - Date of entry onto the register

  Companies may keep the register of members at their **registered office** or place their register of members on the public register at **Companies House**. The register is open to inspection from anyone save in certain circumstances where a company may obtain a court order to block an access request.

1.4.2 Public Limited Company (PLC)

PLCs are a **subset of limited companies** and have the same legal basis. The key difference is that the Public Limited Company is permitted to offer shares for sale to the public.

Public Limited Companies usually begin life as Private Limited Companies but later go public for the advantage that this provides in raising finance. A Public Limited Company must have **at least two directors** and a qualified **company secretary**. It must have issued shares to the public to a value of at least **£50,000**. Public companies attract stricter regulation than private companies to ensure transparency and protection for the public investor, who is often more separated from the management of the company than in a private company.

A Public Limited Company may also become a **Listed Company** by floating its shares on a recognised stock exchange, creating a wider market for its shares. Listed companies are subject to even greater regulatory requirements in the form of listing rules and information disclosure requirements put in place to ensure the market works and maintains its integrity.

Proof of existence:

- Companies House register (free access)

Proof of ownership:

- Register of members/ shareholder register (for details on member/shareholder registers see above, chapter 1.4.1.)
- Bloomberg-Screenshot et al. (in case of a Listed Company)

1.4.3 Limited Partnership

Limited Partnerships are a much rarer form of business structure. Not to be confused with a Limited Liability Partnership (see below) – a Limited Partnership has two sorts of partner: **general partners** and **limited partners**. The form is similar to a Partnership, with the main differences being that the limited partners may not be involved in the management of the business and their liability is limited to the amount that they have invested in the partnership. Note that limited partners are different from 'sleeping' partners in a Partnership or Limited Partnership, who do not take part in running the business but remain fully liable for its debts. Limited partnerships **must register at Companies House**, and do not come into existence until they are registered. Changes to the partnership must also be registered. Only those LPs that have separate legal personality are required to file beneficial ownership information as well.

Proof of existence:

- Companies House register (free access)

Proof of ownership:

- Companies House register (free access)

1.4.4 Limited Liability Partnership (LLP)

A Limited Liability Partnership is a body corporate with a **separate legal personality** similar to a company. Unlike in a normal partnership, the members of an LLP enjoy **limited liability**.

LLPs **must register** and file accounts and annual returns **at Companies House**. At least two members must be "designated members" who hold additional responsibilities – it is they who appoint auditors and sign off and file the accounts at Companies House.

Limited Liability Partnerships have much more freedom than companies over arranging their internal affairs, for example in the way in which decisions are made, and the way in which profits are distributed to members.

LLPs are a hybrid entity, typically used by accountancy and legal firms. They combine elements of partnership structures with company law, and are covered by the beneficial ownership disclosure rules.

Proof of existence:

- Companies House register (free access)

Proof of ownership:

- Register of members (for details on member registers see above, chapter 1.4.1.)