

Types of businesses in the United Kingdom

Most businesses in the United Kingdom operate in one of the following ways: sole trader, partnership, limited liability company, branch of a foreign company.

Business Plan



- The sole trader is the oldest form of business. There are many one-man owners, for example: a farmer, doctor, solicitor, estate agent, garage man, jobber, builder, hairdresser, etc.





- The partnership is a firm where there are a few partners. They are firms of solicitors, architects, auditors, management consultants etc. The names of all the partners of the firm are printed on the stationery of a partnership. The most common type of company in the United Kingdom is the limited liability company. At the end of the name of such a company the word Ltd. is used. For example: Wilson and Son Ltd. Many of such companies are joint-stock companies owned by shareholders.

- Limited liability companies are divided into public and private ones. Only public companies may offer shares to the public at the stock exchange. The names of such companies end in p.l.c. which stands for public limited company. For instance: John and Michael p.l.c. Private limited companies may not offer shares to the public. The names of such companies end simply in Ltd.