

## Limited Companies

### Forming a Limited Company

When planning to set up a limited company, there are a number of key questions that must be asked: -

- How many shareholders are there and will the split of shares be equal, or should the split of shares reflect the amount of work/investment each shareholder may contribute to the company?
- Will all the shareholders be directors, and are there five or fewer shareholders?
- If there is only one director, is there an additional person to be company secretary? (Companies formed after 1st April 2008 no longer need to have a company secretary)
- Is the name of the company acceptable?
- Are the shareholders and directors aware of the implications of setting up and running a limited company, and the additional legal and technical requirements that it brings?

A company can be formed via a number of methods: -

- Direct from Companies House
- Via a Formation company

Companies House produce a Starter Pack with all the documents and details needed to form a company. Once received all the necessary documentation needs to be completed and returned to Companies House with a £20 filing fee. Registration normally takes 5 working days, although a fast track service is available for an extra fee. Articles of Association and Memorandums are not supplied and must be purchased from law/legal stationers for an additional £20-£30. [Setting a Company up via Companies House.](#)

An alternative method of forming a limited company is to use a formation company like Duport Ltd. [Setting a company up via Duport Ltd](#)

For a very competitive fee, Duport Ltd will register the company and send a complete company pack to the shareholder(s). The pack contains easy to follow instructions on registering as a Director and Company Secretary, share certificates, a share register, and articles of association and memorandum. Go to the Links Page for a direct link to the website.

Using a formation company is often the best and simplest route, and is recommended by Help Accountants as the best way to register a new company if time and cost are an issue. Other formation companies are available.