

## Disclosure of Business Ownership

This leaflet gives advice about what you must tell others about the ownership of your business. Which rules you must follow depends on whether you are a limited company (or limited liability partnership) or a sole trader or partnership. There are specific rules about what you must put on your website and if you make distance contracts – see overleaf.

### Sole traders and partnerships

These rules apply to any person carrying on business in the UK, even if they do not have business premises in the country.

### What information do I have to give?

Sole traders and partnerships have to give the name(s) of the individual or all the partners and an address in the UK where documents relating to the business can be served. Therefore, if you trade as 'John Smith Plumbing' or 'JPS Plumbing' you have to give the name(s) of the owner(s) and an address.

These requirements may not apply if you trade under your own name without alterations or additional words for example 'John Smith'. However it is good business practice to give an address and we would recommend that you do.

If the business has more than 20 partners you do not have to give all the names, but you must give the principal business address and state that a list of all partners' names and addresses can be seen there.

### Where do I have to show the information?

The names and addresses have to be in legible characters and must be shown on all:

- business letters;
- written orders for goods or services to be supplied to the business;
- invoices and receipts issued in the course of the business;
- written demands for payment of debts arising in the course of the business.

If anyone you are doing business with asks for your business ownership details you must tell them in writing immediately.

### Notices at business premises

If you operate from business premises where customers or suppliers have access, you must put up a notice in a prominent position where it can be easily read, which includes the same name and address details as above.

### Consequences

The legislation which covers this is the Companies Act 2006. Anyone found guilty of breaching the disclosure requirements can be fined up to £1000 and pay a daily fee up to £100 until the breach ends. Also, if you were in breach of the Act at the time you made a contract, and you take court action to enforce the contract, the proceedings can be dismissed.

### Companies and limited liability partnerships

The rules for companies and LLPs apply whether or not it carries on its business under its registered name.

### What information do I have to show and where?

A company or LLP must show its registered name, whether or not it is carrying on

### For help and advice on complying with consumer protection laws

Trading Standards, Loxley House, Station Street, Nottingham NG2 3NG Address for correspondence only  
Tel: 0115 844 5018 Fax: 0115 844 5019 Email: [trading.standards@nottinghamcity.gov.uk](mailto:trading.standards@nottinghamcity.gov.uk)  
Website: [www.nottinghamcity.gov.uk/tradingstandards](http://www.nottinghamcity.gov.uk/tradingstandards)



business under that name, on:

- its business letters, emails and all other forms of business correspondence and documentation, including official publications, order forms, invoices and applications for licences;
- its websites.

It must show the following extra information on business letters, order forms and websites:

- the part of the UK in which it is registered (e.g. England and Wales);
- its registered number;
- the address of its registered office;
- in the case of a company exempt from having 'limited' as part of its name, the fact that it is a limited company;
- if it is being wound up, that fact.

These requirements apply to electronic communications such as emails as well as paper documents.

You do not have to state directors' names on your business letters unless you choose to. However, if you do, you must show all directors' names not just some of them.

A company and LLP also has to display a notice showing its registered name at its registered office, any inspection place and all other locations where it does business, except one which is primarily used for living accommodation. The notice has to be positioned so that it can be seen easily by any visitor, and at any time, not just during business hours.

If anyone you do business with makes a written request for the address of your registered office or any place of inspection, and the type of company records you keep at those premises, you must provide the information in writing within 5 working days.

### **Consequences**

The laws which include these rules are:

- The Companies Act 2006
- The Companies (Trading Disclosures) Regulations 2008
- The Companies (Trading Disclosures) (Amendment) Regulations 2009
- The Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009

Anyone found guilty of breaching the disclosure requirements can be fined up to £1000 and pay a daily fee up to £100 until the breach ends.

### **Websites**

Other laws which may affect you are the Distance Selling Regulations 2000, the Electronic Commerce Regulations 2002 and the Provision of Services Regulations 2009. These require certain information to be disclosed on websites. To make sure you comply with them, and for best practice in customer care, publish the following:

- name of the business
- geographic address
- email address
- telephone number
- any official address that another law requires you to register and maintain for example your registered office.

### **Distance contracts**

If you make contracts for example over the phone or the internet, you must provide the buyer with the name of the business in a durable form e.g. letter or email. If you take payment in advance you must also provide an address.

### **Other requirements**

There are rules about what names are acceptable. For example, you cannot use a name which implies that you are connected to a government or public authority when you are not, or use a word which has been designated under a list of sensitive words and expressions, without the approval of the Secretary of State. It is also an offence to use a business name that gives such a misleading indication of the activities of the business that it is likely to cause harm to the public. You can find out more about these requirements from Companies House [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

*This leaflet is a brief summary of the law regarding disclosure of business ownership. It is not an authoritative document on the law and is only intended for guidance. For further advice please contact Trading Standards.*