

## Guide to Beneficial Ownership Information: Legal Entities and Legal Arrangements

The purpose of this country-specific guide is to provide assistance to investigators on the type of information that is available on the natural persons who control companies and trusts or otherwise play an important role in a legal person and arrangement in the **United Kingdom**, and the conditions that need to be met to be able to access such information. For ease of reference, the Contents of the guide are listed below.

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## I. Definitions and Company Formation Process

### 1. How are legal entities (companies, partnerships, foundations, etc.) formed in the **United Kingdom**?

Companies and partnerships are formed through registration with the registrar of companies (Companies House).

The processes for incorporation of companies are laid out in the Companies Act 2006. The main forms of company that can be created under the Companies Act 2006 are:

- private company limited by shares
- private company limited by guarantee
- private unlimited company
- public limited company

To incorporate, companies must include information on: proposed company name; articles of association; address of registered office; information on the directors; and, depending on the type of company, information on the initial shareholders or guarantors at the time of incorporation. They must also include an initial statement of significant control – either details of any natural or legal person that is registrable in relation to the proposed company, or a statement that there are no People with Significant Control (beneficial owners).

The requirements for registering a Limited Liability Partnership (LLP) are set out in the Limited Liability Partnerships Act 2000. The relevant legislation for setting up Limited Partnerships (LPs) and general partnerships are the Limited Partnerships Act 1907 and the Partnership Act 1890.

To register as an LLP or an LP, the names of each of the members of the partnership must be provided—in the case of an LP, this includes both the names of each general partner, as well as the names and amount of capital contributed by each limited partner; and in the case of LLPs, addresses must also be provided. LLPs and LPs with legal personality must also include an initial statement of significant control.

Foundations and anstalt are not recognised in UK law.

### 2. How is basic information on legal entities obtained and recorded in the **United Kingdom**?

Most UK companies are incorporated under the Companies Act 2006 and are obliged to hold certain information about the company at a designated address of the company's choosing (typically its registered office) and report this information to the UK Registrar of Companies (Companies House). A company may also opt to hold its own company register at Companies House. There is one central register of basic corporate and beneficial ownership information. This information is publicly available from the Companies House website. The company must update the information held by the registrar as part of the annual Confirmation Statement.

The registration and ongoing filing requirements for partnerships are similar to those for companies.

### 3. What does “beneficial ownership” mean in the **United Kingdom**?

For corporate bodies, the meaning of beneficial owner is widely drawn, including any individual who ultimately owns or controls more than 25% of the shares or voting rights in a body corporate, who ultimately holds or controls the right to appoint or remove a majority of the management (e.g. board of directors, or partners with management responsibility in a partnership) of the body corporate, or who exercises significant influence or control over body corporate. Under the definitions, the nominator of a person who held the shares, rights etc. is covered if they control how those rights are exercised. It covers companies under the Companies Act 2006, other than those public companies listed on a regulated market, unregistered companies and certain forms of partnership with legal personality including Limited Liability Partnerships and Limited Partnerships registered in Scotland.

#### 4. How is beneficial ownership information on legal entities obtained and recorded in the United Kingdom?

The UK has legislated to require transparency about the beneficial ownership of UK companies. The Small Business, Enterprise and Employment Act (SBEA) 2015 amended the registration and disclosure obligations placed on companies, limited liability partnerships (LLPs) and Societas Europaea (SEs) incorporated in the UK, requiring them also to obtain and hold information on People with Significant influence or Control (PSC) over the company. Companies must comply with disclosure and filing requirements to keep this information up to date.

Since 6 April 2016, these corporate entities have been required to keep their own PSC registers, and from 30 June 2016 they have had to file their PSC information at Companies House at incorporation, or at the time of their next confirmation statement. From 26 June 2017, these corporate entities have been obliged to update the company's own PSC register within 14 days, and the centrally held register at Companies House within an additional 14 days. The scope of the requirements has been extended to cover more forms of company and partnership.

For Companies that hold their register at Companies House and for eligible Scottish partnerships, the obligations to update their own register does not apply and the information must be filed at Companies House within 14 days.

Companies House holds the UK's publicly accessible central register of PSC information for companies and partnerships formed under UK law.

The relevant legislation can be found in the Small Business, Enterprise and Employment Act 2015, (2015 c. 26, Part 7, 81), and The Register of People with Significant Control Regulations 2016, The Information about People with Significant Control (Amendment) Regulations 2017, The Scottish Partnerships (Register of People with Significant Control) Regulations 2017.

Statutory guidance on the meaning of "significant influence or control" is published on gov.uk website: <https://www.gov.uk/government/publications/guidance-to-the-people-with-significant-control-requirements-for-companies-and-limited-liability-partnerships>

Additionally, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the MLRs) require financial institutions and DNFBPs to identify and take reasonable steps to verify beneficial ownership as part of their CDD obligations. This information is available to authorities upon appropriate request.

## 5. How are legal arrangements (express trusts and trust-like agreements) formed in the **United Kingdom**?

Under the law of England and Wales an express trust is one intentionally declared by the creator of the trust (“the settlor”). It is created through the manifestation of the intention to create a trust; though there are certain formalities that have to be satisfied in relation to trusts of land and testamentary trusts. The same is also true under the laws of each of Scotland and Northern Ireland.

In practice the trust is likely to be created by a written document (“the trust instrument”), which is usually a deed, setting out the terms of the trust. The trust instrument is often drawn up by a legal professional acting on behalf of the settlor.

## 6. How is information on legal arrangements obtained and recorded in the **United Kingdom**?

The Trust Registration Service went live on Monday 10 July 2017 following the coming into effect of the [Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(the MLRs\)](#). It is a legal requirement that when the trustees of a UK express trust, or a non-UK express trust with UK source income or UK assets, have a liability to pay certain UK taxes in a given tax year they must register details of that trust with the UK tax authority, HMRC, on the Trust Register. In subsequent years, the trustees must ensure the trust data details on the Register are accurate and up to date in each tax year that the trustees incur a liability to certain UK taxes on trust income or assets. The data that trustees are required to provide is detailed information about the settlors, trustees and (both actual and potential) beneficiaries associated with the trust. The trustees must also provide HMRC with details of the type and value of trust assets only at the first point of registration.

The data on the Trust Register can be shared with a UK law enforcement authority or a law enforcement authority in a European Economic Area (EEA) member state, if requested. A UK law enforcement authority can also directly request from trustees information about the beneficial owners of a trust.

Where there is UK-taxable income or gain on a trust, the trustee is required to notify HMRC and submit regular returns under self-assessment. The trustees and/or settlor are also required to report liability to inheritance tax on trust assets. Additionally, UK domiciled settlors and UK resident beneficiaries of non-resident trusts have to disclose information to HMRC. Finally, professionals assisting UK domiciled individuals to settle assets into a non-resident trust are also required to report the existence of the settlement to HMRC. In 2014-15, HMRC received around 162,000 trust returns where there was a UK tax liability.

The MLRs also require trustees of all UK express trusts to maintain accurate and up-to-date written records in connection with the trust, including of the trust’s beneficial ownership. These records must be made available on request to law enforcement authorities.

## II. Types of Legal Entities

There are many types of legal entities able to be formed in the **United Kingdom**. This Guide will provide information on two commonly used entities: **1) Companies limited by shares and Companies limited by guarantee, and 2) Limited Liability Partnerships (LLPs)**.

An LLP is an alternative corporate business vehicle that gives the benefits of limited liability but allows its members the flexibility of organizing their internal structure as a traditional partnership. The LLP is a separate legal entity and, while the LLP itself will be liable for the full extent of its assets, the liability of the members will be limited. You can find further information about the difference between legal structures in the UK here: <https://www.gov.uk/business-legal-structures/limited-partnership-and-limited-liability-partnership>.

### Companies Limited by Shares/Companies Limited by Guarantee

Type of Legal Entity	Company	
	Yes	No
What is the minimum number of natural persons required for formation?	1 <sup>1</sup>	
Is there a requirement to register with the company registry?	X	
Is there a residency requirement for directors?		X
Are bearer shares/share warrants permitted?		X <sup>2</sup>
Is a Trust and Company Service Provider required to form?		X
Is a registered agent in the jurisdiction of formation required?		X
Is the entity required to hold financial account(s) in jurisdiction of formation?		X
Are tax filings required in the jurisdiction of formation (even if there are no direct tax liabilities)?	X	
Does the jurisdiction allow for nominee directors?	X <sup>3</sup>	
If so, are they required to disclose their status as nominee directors?		X <sup>4</sup>
If so, are the nominee directors required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		X <sup>4</sup>
Does the jurisdiction allow for nominee shareholders?	X <sup>5</sup>	
If so, are they required to disclose their status as nominee shareholders?		X <sup>5</sup>
Are the nominee shareholders required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		X <sup>5</sup>

1 – Currently companies must have at least one natural person director. This requirement applies from incorporation.

2 – Bearer shares were abolished with effect from 26 May 2015 through provisions of the Small Business, Enterprise and Employment Act 2015, (Part 7, 84-86).

3 – The term “nominee director” is not defined in the UK law. Nominee directors are the same as any other director in the UK, and legally owe the same duties to the company (Companies Act 2006 Chapter 2). These oblige the director to act in the best interests of the company. A nominee director that did not act in the best interest of the company, for example because they were acting on the instructions of the person that had nominated them, would risk prosecution and disqualification from being able to hold a directorship in any company. SBEE introduced an updated regime to deter opaque arrangements and wrongdoing involving directors:

- newly appointed directors are sent a notice of their duties as soon as the appointment is registered with Companies House. This notice contains: a notification that they are entered on the register as a director; and information about the role and duties of a director, including the duty to exercise independent judgement. Directors are advised that if they cannot comply with the duties, they should consider resigning. It is a duty for the registrar to issue this notice to directors (CA06 S 1079B, introduced by SBEE 2015).
- shadow directors (those controlling all or the majority of a company’s directors) are expected to adhere to the same general duties as directors, where they are capable of applying (Section 170 of the Companies Act 2006). Failure to do so leaves shadow directors liable to enforcement action in the same way as directors. This strengthens the incentives on those seeking to instruct company boards to act in the best interests of the company.

- SBEE 2015 Part 9 extended the grounds for director disqualification, specifying matters to be taken into account when determining unfitness of directors. Equivalent provision for Northern Ireland was included in Schedule 8 to the SBEE Act. If a director is disqualified due to following the instruction or direction of someone else, the person instructing them can also be disqualified (SBEE 2015, Section 105).

4 – A fundamental mitigation of the misuse of the nominee directors is the introduction of the PSC register. A nominator of a nominee director meeting any of the PSC criteria will be deemed a person with significant control over the company. Individuals who instruct company directors and exercise significant influence or control over the company are required to be entered on the PSC register in accordance with the 4th specified condition of the PSC regime (CA06, Schedule 1A, Part 1 (5)). Furthermore, regulated bodies are required to conduct customer due diligence (CDD) on companies in accordance with the Money Laundering Regulations 2007, which may include identification of the person(s) on whose behalf the nominee director acts.

5 – A fundamental mitigation of the misuse of the nominee shareholders and directors is the introduction of the PSC register. A nominator of a nominee shareholder meeting any of the PSC criteria will be deemed a person with significant control over the company. For example, a nominator who held more than 25% of the shares in a company through a nominee shareholder would be identified as a PSC under the first specified condition and listed on the PSC register. Furthermore, regulated bodies are required to conduct customer due diligence (CDD) on companies in accordance with the Money Laundering Regulations 2007, which may include identification of the person(s) on whose behalf the nominee shareholder acts.

## Limited Liability Partnership (LLP)

Type of Legal Entity	LLP	
What is the minimum number of natural persons required for formation?	0 <sup>1</sup>	
	Yes	No
Is there a requirement to register with the company registry?	X	
Is there a residency requirement for directors?		X
Are bearer shares/share warrants permitted?		X
Is a Trust and Company Service Provider required to form?		X
Is a registered agent in the jurisdiction of formation required?		X
Is the entity required to hold financial account(s) in jurisdiction of formation?		X
Are tax filings required in the jurisdiction of formation (even if there are no direct tax liabilities)?		X <sup>2</sup>
Does the jurisdiction allow for nominee directors?	X <sup>3</sup>	
If so, are they required to disclose their status as nominee directors?		X <sup>4</sup>
If so, are the nominee directors required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		X <sup>4</sup>
Does the jurisdiction allow for nominee shareholders?	X <sup>5</sup>	
If so, are they required to disclose their status as nominee shareholders?		X <sup>5</sup>
Are the nominee shareholders required to obtain information on and/ or disclose the identity of natural person(s) on whose behalf they are acting?		X <sup>5</sup>

1 – Two or more natural or legal persons may form an LLP. An LLP must have at least two “designated” members.

2 – LLPs are tax transparent; therefore the individual partners have a requirement to file in respect of their share of the partnership income. A non-resident partner would only need to file a UK return in respect of the UK element of their share of the partnership income.

3 – LLPs do not have directors but members. These are different from directors, and in fact have some properties of shareholders - they will have an economic stake in the LLP, alongside a role in management. All members of an LLP will be registered at Companies House, with certain details available on the public record.

4 – Since the introduction of the PSC regime, the Companies Act 2006 requires disclosure of any person with significant control over an LLP, which includes disclosure of the person ‘behind’ the nominee member in specified circumstances. Furthermore, regulated bodies are required to conduct CDD on LLPs in accordance with the Money Laundering Regulations 2007, which may include identification of the person(s) on whose behalf the nominee member acts.

5 – LLPs have members, not shareholders. These questions should be read on that basis. Since the introduction of the PSC regime, Companies Act 2006 requires disclosure of any person with significant control over an LLP, which includes disclosure of the person ‘behind’ the nominee member in specified circumstances. Furthermore, regulated bodies are required to conduct CDD on LLPs in accordance with the Money Laundering Regulations 2007, which may include identification of the person(s) on whose behalf the nominee member acts.

### III. How to Access Information

This guide will address the ability to access information on entities formed in the **United Kingdom** available in **1) registries** and **2) other channels**.

#### Registries

The registry in the **United Kingdom** is called the Companies House, available online at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk). A point of contact for the Companies House is provided here:

Name: Rachael Watts

Agency: Companies House

Address: Crown Way, Cardiff, CF14 3UZ

Phone: 02920 380641

Email: [rwatts@companieshouse.gov.uk](mailto:rwatts@companieshouse.gov.uk)

In general, the following information is publicly available online (free or for a nominal fee, with no log-in requirements):

1. Name of Legal Entity
2. Entity Number (if any)
3. Type of Legal Entity
4. Date of Incorporation
5. Current Status (active, etc.)
6. Principal Address of Business
7. Principal Purpose of Business
8. Officer/Director Information
9. Shareholder/Member Information
10. People with Significant Control Information
11. Memorandum
12. Articles of Incorporation
13. Application/Certification of Formation
14. Annual/Biennial Reports
15. Historical Document (example: past annual filings)

In general, the following information is not available online, but may be available through another form of public access (i.e. in person only or via a pre-registration requirement) or to law enforcement, through specific procedures listed here:

1. Officer/Director Information: A director's usual residential (i.e. home) address is not made publicly available. It can be accessed by credit reference agencies and specified public authorities (including law enforcement and tax authorities and some overseas authorities) if they apply to the Registrar for access and comply with the necessary requirements, as set out in the relevant regulations.
2. Shareholder Register: This must be kept available for inspection subject to a request for access. A company is required to comply or apply to the court.
3. Register of Charges: This must be kept available for inspection subject to a request for access. A company is required to comply or apply to the court.
4. Bank Account Information: Access to the more detailed financial information is by request by law enforcement through a notice/production order either on the company or on the relevant bank.
5. Payment Records: Access to the more detailed financial information is by request by law enforcement through a notice/production order either on the company or on the relevant bank.



	Online Access (free or for nominal fee, no log-in requirements)	Other Public Access (available in person only or via pre-registration requirement)	Law Enforcement Access only	For Information/ documents accessible only by Law Enforcement, please describe how an investigator may access information
Name of Legal Entity	Yes			
Entity Number (if any)	Yes			
Type of Legal Entity	Yes			
Date of Incorporation	Yes			
Current Status (active, etc)	Yes			
Principal Address of Business	Yes			
Principal Purpose of Business	Yes			
Registered Agent Information				There is no requirement for a registered agent in the UK. It is likely that a lawyer/accountant or other Trust or Company Service Provider will be registered to act on behalf of the company and it is up to them to provide this information.
Officer/ Director Information	Yes		Yes	A director's usual residential (i.e. home) address is not made publically available. It can be accessed by credit reference agencies and specified public authorities (including law enforcement and tax authorities and some overseas authorities) if they apply to the Registrar for access and comply with the necessary requirements, as set out in the relevant regulations.
Shareholder/ Member Information	Yes			
Memorandum	Yes			
Articles of Incorporation	Yes			
Application/ Certificate of Formation	Yes			
Annual/ Biennial Reports	Yes			
Shareholder Register			Yes	This must be kept available for inspection subject to a request for access. A company is required to comply or apply to the court.
Register of Charges			Yes	This must be kept available for inspection subject to a request for access. A company is required to comply or apply to the court.
Bank Account Information		Yes	Yes	A company will put out their annual accounts if required but access to the more detailed financial information is by request by law enforcement through a notice/production order either on the company or on the relevant bank.
Payment Records		Yes	Yes	A company will put out their annual accounts if required but access to the more detailed financial information is by request by law enforcement through a notice/production order either on the company or on the relevant bank.
Historical Documents (example: past annual filings)	Yes			

## Other Channels

The explanation below outlines the channels by which foreign authorities may obtain information on legal entities, legal arrangements, or relevant persons from different sources in the **United Kingdom**.

### Channels through which foreign authorities may obtain information

#### Legal entities/ Relevant Individuals (directors, shareholders, managers, associates, family members, etc.)

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with relevant Individuals	( )	(x)		(x)	( )	Further information can be found in page 14 of the <a href="#">MLA Guidelines</a> .
Records/ documents	(x)	( )	UK is able to share material if it is submitted to the National Crime Agency (NCA) and assessed for onward dissemination based on the intelligence handling processes and legal framework under the Crime and Courts Act 2013.	(x)	( )	Further information can be found in the <a href="#">MLA Guidelines</a> .

#### Legal arrangements/ relevant individuals (trustees [nonprofessional], settlers, beneficiaries, protectors, etc.)

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with relevant Individuals	( )	(x)		(x)	( )	Further information can be found in page 14 of the <a href="#">MLA Guidelines</a> .
Records/documents	(x)	( )	UK is able to share material if it is submitted to the NCA and assessed for onward dissemination based on the intelligence handling processes and legal framework under the Crime and Courts Act 2013.	(x)	( )	Further information can be found in pages 21, 35 and 38 of the <a href="#">MLA Guidelines</a> .

### Financial Institutions

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with personnel	( )	(x)	UK is able to share material if it is submitted to the NCA and assessed for onward dissemination based on the intelligence handling processes and legal framework under the Crime and Courts Act 2013.	(x)	( )	Further information can be found in page 14 the <a href="#">MLA Guidelines</a> .
Accounts records/ documents	(x)	( )		(x)	( )	Further information can be found in page 21 of the <a href="#">MLA Guidelines</a> .

### Trust and Company Service Providers

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with personnel	( )	(x)	UK is able to share material if it is submitted to the NCA and assessed for onward dissemination based on the intelligence handling processes and legal framework under the Crime and Courts Act 2013.	(x)	( )	Further information can be found in page 14 of the <a href="#">MLA Guidelines</a> .
Accounts records/ documents	(x)	( )		(x)	( )	Further information can be found in page 21 of the <a href="#">MLA Guidelines</a> .

**Other Designated Non-Financial Businesses and Professions**

	Information/ Intelligence Sharing Inquiry		Explanation	Mutual Legal Assistance Request		Explanation
	Yes	No		Yes	No	
Interviews with personnel	( )	(x)	UK is able to share material if it is submitted to the NCA and assessed for onward dissemination based on the intelligence handling processes and legal framework under the Crime and Courts Act 2013.	(x)	( )	Further information can be found in page 14 of the <a href="#">MLA Guidelines</a> .
Accounts records/ documents	(x)	( )		(x)	( )	Further information can be found in page 21 of the <a href="#">MLA Guidelines</a> .



#### IV. Other Useful Sources of Information

Resource Name	Web Link
Companies Act 2006	<a href="http://www.legislation.gov.uk/ukpga/2006/46/contents">http://www.legislation.gov.uk/ukpga/2006/46/contents</a>
Small Business, Enterprise and Employment (SBEE) Act 2015	<a href="http://www.legislation.gov.uk/ukpga/2015/26/contents">http://www.legislation.gov.uk/ukpga/2015/26/contents</a>
Small Business, Enterprise and Employment (SBEE) Act 2015 (related documents)	<a href="https://www.gov.uk/government/collections/small-business-enterprise-and-employment-bill">https://www.gov.uk/government/collections/small-business-enterprise-and-employment-bill</a>
Register of People with Significant Control Regulations 2016	<a href="http://www.legislation.gov.uk/uksi/2016/339/contents/made">http://www.legislation.gov.uk/uksi/2016/339/contents/made</a>
Limited Liability Partnerships (Register of People with Significant Control) Regulations 2016	<a href="http://www.legislation.gov.uk/uksi/2016/340/contents/made">http://www.legislation.gov.uk/uksi/2016/340/contents/made</a>
European Public Limited-Liability Company (Register of People with Significant Control) Regulations 2016	<a href="http://www.legislation.gov.uk/uksi/2016/375/contents/made">http://www.legislation.gov.uk/uksi/2016/375/contents/made</a>
Information about People with Significant Control (Amendment) Regulations 2017	<a href="http://www.legislation.gov.uk/uksi/2017/693/contents/made">http://www.legislation.gov.uk/uksi/2017/693/contents/made</a>
Scottish Partnerships (Register of People with Significant Control) Regulations 2017	<a href="http://www.legislation.gov.uk/uksi/2017/694/contents/made">http://www.legislation.gov.uk/uksi/2017/694/contents/made</a>