

Guidance for Businesses

Companies Act 2006

The Companies Act 2006 (Part 5, Chapters 1-5) deals with permitted names and also the use of certain words and expressions in the name of a company, name changes and powers of the Secretary of State.

The provisions came into force on 01 October 2009. The provisions are then specified in the Company, Limited Liability Partnership and Business Names (Sensitive Words and Expressions) Regulations 2009 which govern the use of sensitive words and expressions, prohibiting the use of certain words and expressions without the approval of the Secretary of State.

The Company and Business Names (Miscellaneous Provisions) Regulations 2009 then set out further specific requirements and prohibitions on a company name, including the use of punctuation marks.

Part 5, Chapter 6 of the Companies Act 2006 concerns the trading disclosures, brought into force by the Companies (Trading Disclosures) Regulations 2008 (as amended) on 01 October 2008.

Documents and websites

A company must state its name in legible lettering on the following business stationery, whether in hard copy, electronic or other form:

- Business letters or order forms
- Notices and other official publications
- Websites
- Cheques and orders for money or goods purporting to be signed by, or on behalf of, the company
- Invoices and receipts

The company must also show in legible lettering, on all business letters, order forms and any of the company's websites:

- The company's place of registration
- The registered number
- The registered office address

Whenever an email is used where its paper equivalent would be caught by the stationery requirements, the email would also be subject to the requirements. The same requirements are also applicable to limited liability partnerships. Where a company's business letter includes the name of a director of that company, other than in the text or as a signatory, the letter must disclose the name of every director of that company.

Business premises

A company must display its registered name at its registered office and at any location where it carries on business (unless the location is primarily used for living accommodation).

Non Limited businesses

Part 41, Chapter 1 of the Companies Act 2006 contains similar provisions in relation to businesses in the United Kingdom.

It is also an offence to carry on a business under a name that gives a misleading indication of the nature of the business's activities where it is likely to cause harm to the public.

Part 41, Chapter 2 sets out the disclosure requirements in the case of an individual or partnership.

If a business trades under any name other than its own real name then the following disclosure requirements apply:

Documents:

A person to whom this Chapter applies must state the names of the owners and partners in the business in legible lettering, 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 the business has more than twenty partners, there is no requirement to put all the partners' names on business documents. However, the address of the principal place of business must be stated, and an indication that a full list of the partners' names and addresses can be inspected there.

Premises

A person to whom this Chapter applies must state the names of the owners of the business and any partners in places:

- where the business is carried on, and
- to which customers of the business or suppliers of goods or services to the business have access.

The information must be on display in a prominent position, so that it may easily be read by such customers or suppliers.

For more help

This note is a very brief guide to the main requirements and it is not a full interpretation of the law. A full guide is available by download from the Department for Business, Innovation & Skills at www.bis.gov.uk