

Companies Act 2006



Companies House
— for the record —

limited partnerships

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Is this guidance for you?

This guide will be relevant to you if you:

- are intending to register a limited partnership; or
- are a limited or general partner of a limited partnership; or
- act as an adviser to a limited partnership

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1. Limited partnership registration
2. Further Information

This guide answers many frequently asked questions and provides information on completing the most commonly used filings relating to this area. The guide is not drafted with unusual or complex transactions in mind. Specialist professional advice may be needed in those circumstances.

Introduction

This guide explains what you need to do to register a limited partnership.

If you are considering forming a limited partnership, you should refer to the legislation governing limited partnerships or seek specialist legal advice.

You will find the relevant law in the Limited Partnerships Act 1907.

Chapter 1

Limited partnership registration

1. What is a limited partnership?

A limited partnership consists of:

- one or more persons called general partners, who are liable for all debts and obligations of the firm; and
- one or more persons called limited partners, who contribute a sum or sums of money as capital, or property valued at a stated amount. Limited partners are not liable for the debts and obligations of the firm beyond the amount contributed.

2. What restrictions are there on the limited partners?

Limited partners may not:

- draw out or receive back any part of their contribution to the partnership during its lifetime;
- take part in the management of the business or
- have power to bind the firm.

If they do, they become liable for all the debts and obligations of the firm up to the amount drawn out, received back or incurred, as the case may be, while taking part in the management of the company.

3. Who can be a partner?

Generally speaking, an individual or a legal body such as a company may be a partner in a limited partnership, either as a general or as a limited partner. A person cannot be both a general and a limited partner at the same time.

4. Must limited partnerships register?

Yes. Until your partnership is registered, all partners will be equally responsible for any debts and obligations incurred.

5. How do I register my limited partnership?

A limited partnership must be registered under the Limited Partnerships Act 1907. To register, you must deliver an application for registration (Form LP5), signed by all the partners, to the Registrar. The limited partnership will come into existence on registration of an acceptable LP5.

Partnerships whose principal place of business is situated or proposed to be situated in England and Wales should send their forms to the Cardiff office; those whose principal place of business is situated or proposed to be situated in Scotland to the Edinburgh office; and those whose principal place of business is situated or proposed to be situated in Northern Ireland to the Belfast office.

The information supplied on the form must include the following:

- the firm's name, including the appropriate name ending – Limited Partnership, LP ;(or a Limited Partnership registered in Wales, with it's principal place of business in Wales may use Partneriaeth Cyfyngedig or PC;
- the general nature of the business;
- the address of the principal place of business;
- the full name of each partner, listing general and limited partners separately;
- the term (if any) for which the partnership is entered into (this begins with the date of registration);
- a statement that the partnership is limited and the description of every partner as such; and
- the sum contributed by each limited partner, and whether it is paid in cash or otherwise.

If all these particulars are in order, the Registrar will issue a certificate of registration, subject to the acceptability of the name.

6. How much does it cost?

The general registration fee is £20. The fee for a same day registration is £50. Cheques should be made payable to 'Companies House'.

7. Can an overseas limited partnership register?

Not usually. The Limited Partnership Act requires partnerships to register in that part of the United Kingdom where their principal place of business is situated or is proposed to be situated. An overseas partnership usually has its principal place of business overseas, and would not be registered for that reason.

8. What if some of my partnership details change?

If any alteration is made to any of the details previously registered, the Registrar must be notified of the change on Form LP6 within seven days.

9 Does a limited partnership need to send accounts to Companies House?

Not usually. There is no requirement for a limited partnership to send accounts to Companies House unless the The Partnerships (Accounts) Regulations 2008 apply. In these circumstances, if the General Partner is a limited company, a copy of the partnership accounts must be appended to, and filed with, the limited company accounts.

10. Can a limited partnership be dissolved?

Yes. In the event of the dissolution of a limited partnership, the general partners must wind up its affairs unless the court orders otherwise.

Subject to any agreement between the partners, a limited partner is not entitled to dissolve the partnership by notice, and the other partners are not entitled to dissolve the partnership merely by reason of any limited partner suffering his share to be charged for his separate debt.

The death or bankruptcy of a limited partner is not a ground for dissolution. The fact that a limited partner is a 'person of unsound mind' is not a ground for dissolution of the partnership by a court, unless the person's share in the partnership cannot be otherwise ascertained and realised.

11 Can a limited partnership name be removed from the Registrar's index of names?

Although a limited partnership can be dissolved as explained above, the 1907 Act does not make it a requirement to notify Companies House. If you do send Companies House notification of dissolution on a form LP6 it will be accepted in good faith but the limited partnership name will remain on the live index of names.

12. Who must deliver these particulars?

The general partners are responsible for the delivery of Forms LP5 and LP6 whether or not the preparation of the documents was delegated to accountants or to anyone else. The Limited Partnerships Act 1907 provides for the imposition of penalties for various defaults in carrying out the requirements of the Act and for failing to send to the Registrar the required forms.

Notice of any arrangement or transaction under which a general partner will become a limited partner in the firm must be advertised in the London, Edinburgh or Belfast Gazette, as the case may be. Notice must also be advertised in the Gazette of any arrangement or transaction under which a limited partner's share in the firm will be assigned to somebody else. Until this is done these arrangements or transactions have no effect.

Chapter 2 Further information

1. Where can documents be inspected?

All registration documents relating to English and Welsh partnerships may be inspected at:

Companies House
Crown Way
Cardiff
CF14 3UZ
Tel: 0303 123 4500

or they may also be made available by giving two days' notice at:

The London Search Room
Companies House
21 Bloomsbury Street
London
WC1B 3XD
Tel: 0303 123 4500

Scottish partnership documents may be inspected at:

Companies House
Fourth Floor
Edinburgh Quay 2
139 Fountainbridge
Edinburgh EH3 9FF
Tel: 0303 123 4500

Northern Ireland partnership documents may be inspected at:

The Registrar of Companies
Companies House
Second Floor
The Linenhall
32-38 Linenhall Street
Belfast
Northern Ireland
BT2 8BG
DX 481 N.R. Belfast 1
Tel: 0303 123 4500

Further enquiries may be addressed to the Registrar of Limited Partnerships at the above addresses.

2. Where do I get forms and guidance?

This is one of a series of Companies House guidance which provide a simple guide to the Companies Act.

Statutory forms and guidance are available, free of charge from Companies House. The quickest way to get them is through this website or by telephoning 0303 1234 500.

Forms can also be obtained from company law stationers, accountants, solicitors and company formation agents - addresses in business phone books.

3. How do I send information to the Registrar?

You may deliver documents to the Registrar by hand (personally or by courier) including outside office hours, bank holidays and weekends.

You may also send documents by post or by the Document Exchange Service (DX). If you send documents you should address them to:

| For limited partnerships in England & Wales: | For limited partnerships in Scotland | For limited partnerships in Northern Ireland: |
|---|--|---|
| The Registrar of Companies Companies House Crown Way Cardiff CF14 3UZ DX33050 Cardiff 1 | The Registrar of Companies Companies House Fourth Floor Edinburgh Quay 2 139 Fountainbridge Edinburgh EH3 9FF DX ED235 Edinburgh 1 or LP-4 Edinburgh 2 | The Registrar of Companies Companies House Second Floor The Linenhall 32-38 Linenhall Street Belfast Northern Ireland BT2 8BG DX 481 N.R. Belfast 1 |

If you are sending documents by post, courier or Document Exchange Service (DX) and would like a receipt, Companies House will provide an acknowledgement if you enclose a copy of your covering letter with a pre-paid addressed return envelope. We will barcode your copy letter with the date of receipt and return it to you in the envelope provided.

Please note: an acknowledgement of receipt does not mean that a document has been accepted for registration at Companies House.

Please note: Companies House does not accept accounts or any other statutory documents by fax.

how to contact us

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contact centre: **0303 1234 500**

(For training and quality purposes your call may be monitored)

mini-com: 029 2038 1245

enquiries@companieshouse.gov.uk

www.companieshouse.gov.uk

- Cardiff:** Companies House
Crown Way, Cardiff CF14 3UZ
- Edinburgh:** Companies House
Fourth Floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, EH3 9FF
- London:** Companies House
21 Bloomsbury Street, London, WC1B 3XD
- Belfast:** Companies House,
Second Floor, The Linenhall,
32-38 Linenhall Street, Belfast, BT2 8BG

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