

A Limited Company is a legal entity in its own right, separate from its owners and/or shareholders, and from its directors, who run the business. The owners are free from personal responsibility for the debts of a limited company - they are liable to lose only the share capital that they have invested in the business. If there are shareholders they are only liable, in the event of the business becoming unable to pay its debts, for any amount outstanding on their subscribed shareholdings. Companies Limited by guarantee may or may not have a share capital. However if there is no share capital this needs to be indicated in the Memorandum and Articles of Association together with the token liability of its directors usually not exceeding €1. Limited Companies need to comply with corporate governance regimes and therefore have to conduct an Annual General Meeting where the financial records must be presented.

Information regarding setting up a limited company is available from the Company Registration Office (www.cro.ie) or from Kildare Local Enterprise Office. It may be worthwhile taking advice from a solicitor or accountant as to whether an incorporated company is the best way for you to operate your business, as directors now take on increased responsibilities under company law.