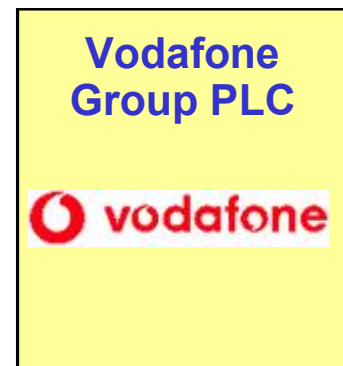




Public Limited Companies (PLCs)

- Public Limited Companies are the biggest type of **private** businesses in the UK. They have the following features:
 - Shares are sold on the London Stock Exchange
 - Shareholders have **LIMITED LIABILITY**
 - Shareholders vote for a board of directors, who run the business
 - The company must have the words “**public limited company**” or the letters “**PLC**” in it’s name
 - Accounts must be published, and made available to anyone who wants to see them
 - Examples include:





Should We Be a PLC?

Yes!

1	Can get money by selling shares to the general public
2	Firm is big – easier to negotiate with suppliers
3	Shareholders have limited liability
4	Can employ specialists
5	Death/illness doesn't affect the company
6	Shares can be given to workers to motivate them

No!

1	Firm can be taken-over
2	Accounts are not private
3	Incorporated – must be a separate legal company
4	Expensive to set up
5	Have to share profits – by paying DIVIDENDS
6	Not all decisions are made by owners



LTDs & PLCs: Differences & Similarities

Name	LTD	PLC
Shares Issued	Private (friends & family)	Public (Stock Exchange)
Accounts	Available to authorities	Available to anyone
Size	Usually small	Usually large
Sector	Private	Private
No. of Owners	Minimum of 2	Minimum of 2
Profits go to	Shareholders	Shareholders

- Note that public limited companies are in the **PRIVATE** sector!
- Major difference is the use of the stock exchange

