

Pty Ltd Companies

Pty Ltd companies are the most common type of company liability structure adopted in Australia. Whatever type of construction company you have, you can always count on a construction lawyer to help you with any building problem.

What is Pty Ltd?

Pty Ltd is an abbreviation for 'proprietary limited'. It is commonly found in company names and indicates the liability scheme adopted by a company. The other liability schemes are Ltd or 'limited' which means no liability scheme.



PROPRIETARY

Pty Ltd consists of two parts – 'proprietary' and 'limited'. Proprietary means that the company is private, consisting only of no more than 50 non-employee shareholders. A private company does not offer its shares to the general public and, therefore, cannot list its shares in the Australian Stock Exchange.



LIMITED

The second part of Pty Ltd is 'limited'. This indicates that the limited liability that rests on the shareholders of the company. The shareholders' legal responsibility for the liabilities of the company is limited to the value of the shares that the shareholders own. Shareholders cannot be made liable beyond their shares. A company's liabilities and obligations cannot be enforced against the personal assets of its shareholders.



PTY LTD VERSUS LTD

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**You Can Be Confident That You Are Getting
The Right Legal Advice.**

Contracts Specialist Is A Sydney-Based Construction Law Firm That Deals With Building Disputes, Construction Contracts, Debt Recovery, And Security Of Payment. With Contracts Specialist, You Are Ensured That You Are In Good Hands.

Advantages of being a Pty Ltd Company

Being a Pty Ltd company does not necessarily limit a company's size. Pty Ltd companies can operate as small-scale companies or large-scale companies. The advantage of being a Pty Ltd company is in the privacy and control that shareholders have over the company due to the limited number of shareholders allowed. Pty Ltd companies are not as strictly regulated as Ltd companies. Pty Ltd companies also have limited disclosure obligations compared to publicly listed companies.

Company Name versus Business Name

A company name is usually followed by Pty Ltd or Ltd to indicate the company's legal liability structure. Companies are required to be registered with the ASIC.

On the other hand, a business or trading name is the name under which one chooses to conduct business. The business or trading name may be different from the registered company name and in such instance, must also be registered with the ASIC.

How can Contracts Specialist help Pty Ltd Companies?

Whether you're a contractor with a Pty Ltd company or an individual contractor, our construction lawyer can help you on:



Construction Contract Review



Payment Disputes and the adjudication process



Fair Trading and NCAT proceedings

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