

Small Businesses in the UK - Key Statistics

A major report published by Warwick Business School entitled "Finance for Small and Medium-Sized Enterprises" reveals some fascinating statistics relating to the small business world in the UK.

In early 2004, a consortium of 19 public and private sector organisations commissioned the Business School to undertake a study into SME finances. This is the first representative survey of SMEs in the UK to offer a close analysis of businesses (with fewer than 250 employees), their main owners and access to external finance.

The full executive summary of results can be downloaded in PDF format [here](#).

Size of Small Businesses in the UK

- 2,200,000 businesses have no employees (about 61% of SMEs).
- 1,450,000 businesses have an annual turnover of less than £50,000 of SMEs).
- 1,350,000 businesses have less than £10,000 worth of assets.

Small Businesses by Region

- 38% of SMEs are located in London and the South East (1,400,000 businesses).
- 87% of SMEs are located in England (3,150,000 businesses).
- 5% are located in Scotland.
- 5% are located in Wales.
- 3% are located in Northern Ireland.

By Legal Entity Type

- Almost 2 in 3 businesses are sole traders (2,400,000 businesses)
- Less than 1 in 4 businesses are limited liability companies (870,000 businesses)
- About 1 in 10 businesses are partnerships (including limited liability partnerships).

By Business Age

- The majority of businesses (51%) are aged more than 15 years (1,900,000 businesses).
- About 7% of SMEs are start-ups (aged less than 2 years) (250,000 businesses).

By growth rate:

- About 11% of businesses (320,000 businesses) are high growth businesses, having an average turnover growth of 30%, or more, per annum over a period going back up to 3 years.

By ethnicity:

- 93% of businesses are majority white owned (3,400,000 businesses).
- About 7% of businesses are majority owned by individuals from ethnic minority backgrounds (220,000 businesses).

By gender:

- 75% of businesses are majority owned by males (about 2,700,000 businesses).
- 25% of businesses are majority owned by females (just over 900,000 businesses).

