

# Accounting resource: Starting a business in the UK.

“We can hold your hand through the whole process making sure you remain compliant whilst achieving your objectives for your investment.”

Zoe Hellmuth, Associate Director - Financial Projects & Advisory, Wilson Partners Ltd

## Looking to set up in the UK?

### Here's what do you need to consider:

If you're a non-UK business wanting to set up or acquire a business in the UK, then we have detailed the requirements and considerations below. Ideally you will want to have a UK based specialist accountant to walk you through the process whilst you can remain as hands-on as you want to be to ensure a smooth process.

### Setting up the company:

Before you start, you might want to consider what type of entity best suits your business, whether it is a Limited Company or Limited Liability Partnership (LLP).

Once Once you have decided what entity to set up, then of course you'll need a name. We'd recommend short-listing a handful of options as you will need to check the required name is available and not too similar to any other entity or trade name.

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### What taxes need to be considered:

Depending on the type of entity you will be required to register for Corporation or Partnership Tax.

What are your requirements to register for VAT? Depending on your anticipated turnover, it could be mandatory to register for VAT but even if not, could it be beneficial to allow you to recover VAT on your purchases. You will also need to think about the process for imports and exports if you are moving goods between the UK and other countries. There is a requirement to register for Making Tax Digital (MTD) and file your VAT returns via the HMRC MTD portal. MTD will be rolled out to other tax payments in the future.

Are you a contractor using subcontractors, or a subcontractor providing services to a contractor? If you are operating within the construction sector, you will need to consider your requirement to register under the Construction Industry Scheme (CIS). This will also have implications on your VAT processes.

### Your revenue basis in the UK needs to be considered:

You'll probably need to show some revenue in the UK, so need to consider transfer pricing rules. Will you sell direct from the UK? Will the UK operation act as a sales and marketing operation where you might consider a 'cost plus' or commission based revenue agreement.

### You need to recruit the right people:

Your staff are likely to be working miles away from the main operations of the group. You need to ensure you get the right people so choose the right recruitment agents. You also need to ensure you hold onto your staff so ensure your salary & benefits package is competitive. You might consider employee incentive schemes to get your employees complete buy in into the company.

For UK staff you are required to run a payroll and have a pension scheme available that the employees will automatically enrol into.

Having employment contracts and handbooks in place from the start means you are setting the precedent from the start.

### Accounting Software:

Have a think about what accounting software best suits not only your UK accounting requirements, but you might also like to consider the group consolidation process.

You will want a system that provides efficiency at the book-keeping level so that you can focus on the output.

### Compliance Requirements:

As with all countries a UK company comes with compliance requirements, there's no getting away from them:

- Annual Statutory Accounts
- Tax filings - corporation tax, partnership tax, P11d, personal tax for employees and directors
- Annual Audit – you must consider the size of the group when determining if a statutory UK audit is required
- Company Secretarial - you must maintain statutory records and file an annual confirmation statement
- Payroll reporting.

### Other services you may require:

With a 40 strong team and growing, we have an enviable network of specialist providers who will be able to help you across all aspects of the business. We work closely with a number of professional firms and will be happy to connect you to the right people:

- Banking - you should consider what is important to you as a bank whether that is relationship, online facilities or fees. Consider if your parent company bankers have a presence in the UK. Setting up a bank in the UK is not a quick process, so this should be high on your agenda once you have set up your UK entity
- Recruitment - find a recruiter that specialises in your industry and get details of competitive salaries & benefit packages for benchmarking purposes

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- Employee benefits - Once you know what benefits you want to offer ensure you find the right provider
- Insurance - you will need insurances such as professional indemnity, directors & officers and asset cover. You should review your cover regularly to ensure you are fully covered and paying the most competitive prices. You should check your group policies first to see if they will provide sufficient cover for your UK entity.
- Legal - you may need a lawyer to assist with legal documents such as Shareholder/Partnership agreements, transfer pricing agreement
- HR - you may need an employment specialist to assist with employment contracts, staff handbooks.

### Are you ready?

If you're ready to set up in the UK and want to work with a UK specialist business and accounting firm, then get in touch with Wilson Partners and we'll be delighted to walk you through the process.

### About Wilson Partners:

We combine the financial expertise, experience and accessibility of our talented team with a deep understanding of our clients to help achieve their goals.

We provide a suite of integrated, innovative and value-added accounting, tax and corporate finance solutions that empower businesses, investors and private clients to make better decisions.

We don't do grey suits, operate in silo's or spend all day counting beans. On the contrary, we operate out of a vibrant open plan office on the outskirts of London. All our directors are fully engaged in the business and we're passionate about client success, because after all, if you thrive, we thrive.

Life is short, so we don't just want to make up the numbers. We are a business that makes a real difference to the relationships we build and helps to make life count for our people and our clients.

Each one of us is dedicated to challenging, inspiring and supporting our clients to live the lives they want and enjoy the success that will benefit those they care about and the wider community.

