

Setting up your company in the UK: What you need to know

Why should you choose the UK?

Setting up your company in the UK is advantageous because:

- It is a popular jurisdiction for cross-border trades.
- It is really straightforward to set up a company in the UK.
- It provides long-term stability and security.
- There is a straightforward taxation system.
- The UK has a large pool of skilled human capital.
- The UK is one of the world's financial and investment centres (Bank of England, London Stock Exchange, HSBC, Barclays etc).
- English law based investments and transactions are very well recognised internationally based on commonality of English language and foundations built on common law principles.

What legal form would the company take?

When it comes to different forms and structures, you have a lot of options in the UK. The most popular group structure would be to set up a UK company as a subsidiary of your overseas entity. However, other options are also available, for example as a branch of your overseas entity, as a partnership or joint venture. Once you've chosen where the UK company will sit within your current structure, you need to decide on the type of company you want to set up. Public benefit organisations might wish to set up a community interest company or a charitable company (each with

an asset lock and stated public benefit purposes), but the most popular form is a 'Limited' share company. This is because:

- It is internationally recognised and trusted.
- There is no minimum capital requirement.
- The company incorporation process is quick, easy and inexpensive – there is only one form to complete, and the Companies House fee is very low for online applications which take around 24 hours to register (fast track) or 2–5 business days (normal track).
- No physical presence in the UK is required other than to open a bank account – this means that you do not need a UK-based director.
- Many organisations, including Bates Wells, provide registered office address and company secretarial services which manage the Companies House and related administration of a limited company.



Once you have decided to go ahead and launch in the UK, there are some important points to consider.

Commercial

You will need to prepare a range of documents, including UK compliant website terms and conditions and customer facing terms (whether your client base are individual consumers or businesses). You may also receive services from third parties which will mean negotiating supplier contracts. If you are offering goods or services to individual consumers, you'll need to be aware of the rights consumers have in the UK and make sure your service complies with these.

You also need to consider anti-bribery and corruption laws and regulations, which may include having policies and training in place for your employees.

Trade Marks & Intellectual Property

You will need to think about how you will license or assign intellectual property rights to the UK company and any third parties. If you have a brand name or logo you plan to use in the UK, you could apply to register a trade mark to protect it.

Data protection and AI

Although there have been some changes to data protection in the UK following Brexit, the data protection regime is still generally aligned with Europe.

If you are providing services in the UK or Europe you will need to consider how you deal with any personal data you receive or process. In particular, it is important to have a data privacy policy on your website which sets out how you will deal with personal data you receive.

If you use, or are planning to use, AI as part of your product or service, you will need to take into consideration the regulatory requirements in the UK and potential data protection issues.

You will need to conduct a Data Protection Impact Assessment to show that your use of AI is proportionate, and that sets out how you have mitigated the risk involved.

Immigration and employment

Immigration law is constantly changing in line with political and economic factors. If you or any members of your team are currently based abroad and looking to move in the UK, you may need support in applying under one of a number of immigration categories, acquiring a sponsor licence to hire individuals under the points-based immigration system or visas for employees.

You will need to consider the status of the individuals you retain: are they employees, workers, self-employed or independent contractors? Each will require a different contract type and will have varying tax rates which are also dependent on the individual's income and circumstances.

There are other rights that arise depending on the employment type. A key consideration is equality and discrimination and the laws surrounding this, including equal pay.

Real Estate

If required, you may need to consider property leases or office purchase arrangements.



How can Bates Wells help you?

We have extensive experience in advising organisations setting up in the UK.

We are a full service commercial law firm based in London. As the UK's first B Corp law firm we are required to meet rigorous ongoing standards of social and environmental performance, accountability and transparency.

Our start-up package

While we typically charge based on our hourly rates, we are delighted to be able to offer fixed fees for certain types of work in our start-up package. In each instance we will have a free initial 30 minute call with you to discuss your requirements, and to confirm whether the fixed fee approach is appropriate for your business. We can also create a package that is bespoke to your requirements.

Please get in touch if you would like to find out more about our start-up packages.



Key contacts

Should you have any questions or would like to find out more about how we can help, please get in touch.



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