



SETTING UP IN THE UNITED KINGDOM

INWARD INVESTMENT

MENZIES
BRIGHTER THINKING



THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK

GLOBAL EXPANSION

Setting up in the UK might be your first venture outside your home country, or the next step in a wider expansion plan. We recognise setting up in a new country can be challenging, which is why we offer a **one stop solution** to help guide you through this journey and make the UK a great place to grow your business.

At Menzies, we service a wide variety of sectors where our specialist teams will support you in building your UK business. International groups are also supported by Menzies country desks; our teams speak over 30 languages.

We consider ourselves a partner on your journey and aim to make your experience of setting up and doing business in the UK as simple and tax efficient as possible.

We will work closely with you to provide a comprehensive seamless service, from deciding which business model best fits, registering the UK business, to taking care of ongoing requirements. Along the way our team make recommendations, based on our local knowledge, on matters from staff pay and benefits to introducing local providers for insurance, banks and property needs.

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THE JOURNEY



WHY THE UK?

The United Kingdom has been pivotal for international trade for centuries - from the days of sail and exploration, through the development of core trade routes to today's fast moving world. Made smaller by electronics and travel, we have been at the forefront of trade and business; a key gateway in and out of Europe and the wider world.

GEOGRAPHY

The UK's geographic location positions it as a central connector between major global markets, enhancing its role as a key international business hub. Its strategic positioning allows businesses to operate effectively across time zones, reach international markets, and benefit from significant trade routes.

POPULATION

The UK's population contributes to international business by providing a skilled, diverse, and highly mobile workforce, fostering an environment of innovation, and offering a large consumer market. The multicultural nature of the UK, combined with its strong educational institutions and business-friendly policies, makes it an ideal place for international business expansion and collaboration. This creates a dynamic ecosystem where businesses can thrive in a global context.

TAXES

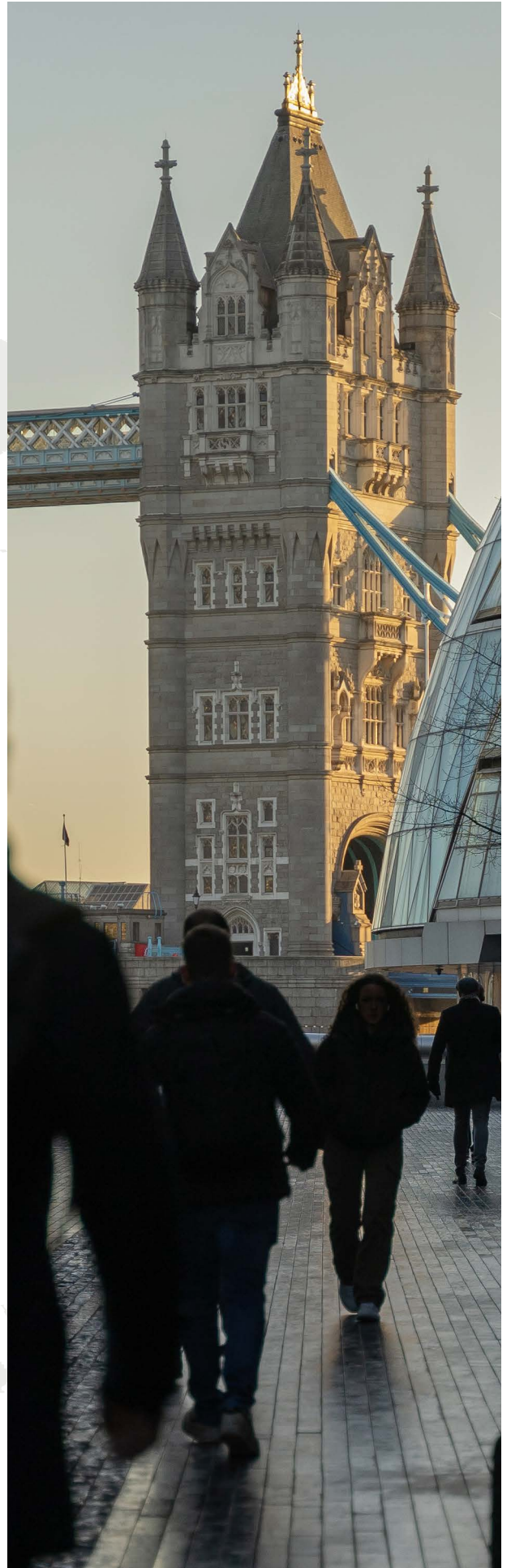
Corporation Tax 19% to 25%. A mature tax system with a network of tax treaties and global trade agreements, enabling clarity around cross border arrangements.

TRANSPORT

Key airports: London Gatwick, London Heathrow

Key ports: Felixstowe, Southampton, London Gateway, Liverpool

Transport link: Eurostar, with links to Paris, Brussels, Amsterdam, Rotterdam



BRANCH OR COMPANY?

We can discuss which type of business arrangement works best for you when setting up a Permanent Establishment in the UK - with staff and perhaps a premises. Our experience is that most businesses choose to set up a UK limited company, but we can discuss with you the pros and cons of the options available.

OPERATING MODEL

Whether you would like to explore the options available to you or you have already considered the operating model for your business in the UK, our experienced international team is very well placed to explore this further with you, discuss the differences between each model (e.g. standard model or cost plus model) and ensure your UK setup is efficient and best suits your objectives.

YOUR PEOPLE

Whether you are sourcing new staff in the UK, or using your existing team, Menzies provide a full solution for all employment related matters and we would be delighted to provide you with local introductions to providers of VISA application services, and assisting in finding residential property.

We can assist with:

- ✔ Global mobility advisory
- ✔ Operations of a UK payroll
- ✔ Auto enrolment (pension support)
- ✔ Benefits - advice and support, healthcare, gym etc
- ✔ Employee share options
- ✔ UK employment contracts - tailored to comply with UK rules
- ✔ UK Handbook (or mini handbook - usually recommended where you have fewer than 5 employees)
- ✔ Director's and employee personal tax returns, if required



VAT

Whilst registering a company or branch can be done quickly, VAT registration can take a few weeks to be agreed with the UK authorities.

For non-established UK entities, we can assist you in completing the application for VAT registration documentation. As part of this process, it is important to be able to demonstrate an intention to trade.

This might mean including evidence of orders received with your application. We have a specialist VAT team who will work with you throughout this process.

TRADE DUTIES & CUSTOMS

If you haven't already sourced your Transport and Logistics partner, or need a bit of help to navigate customs and duties, we are pleased to provide trusted contacts and support.

INSURANCE

Insurance should be a consideration on your checklist when setting up in the UK. Even if you have no property or equipment and minimal sales. If you have employees, there is an obligation to put insurance in place. We can provide local introductions to insurance providers for further assistance, although clients will often speak with their global insurance provider first.

PROPERTY

Location is important for any business, and we can provide guidance on suitable areas, from local tech parks to high foot-fall locations for Retailers.

If you don't need a premises (either because you have no employees, or they are working from home), then we can satisfy the requirement to have a UK registered office, by offering either our Heathrow or London offices as your UK registered office.

We do not offer serviced desks at our offices, although meeting rooms can be used by arrangement. We can provide local introductions to property agents who will be able to give you an indication of associated rental costs.

UK BANK ACCOUNT

Whether you are operating a company or a branch in the UK it is recommended (although not essential) to set up a bank account designated to the UK business.

This enables all UK transactions to be separately identifiable and simplified for reporting purposes. Particularly if the UK authorities choose to carry out a review.

We know setting up a bank account in the UK can be challenging for overseas controlled businesses, particularly where you have no UK location or UK based directors.

The bank's KYC "Know Your Client" requirements are detailed and we can support you through completing the significant paperwork involved.

We can provide local introductions to any of the major UK banks, although clients will often speak with their existing bank first.

TAXES

As well as VAT and Payroll taxes, both a UK Company or UK Branch will need to prepare tax computations and submit a CT600 return. This is prepared in conjunction with preparation of the statutory financial statements.

Our International Tax specialists can work with you to discuss Cross-border / Transfer pricing requirements.

Corporation taxes are typically payable 9 months after the year end, although for larger groups there may be requirements to pay corporation tax in instalments.

LEGAL

In addition to the areas discussed so far, having a presence in the UK will also create several legal obligations. There will likely be three key aspects to consider here:

1

EMPLOYMENT

Employees are required to have legally compliant employment contracts, setting out matters such as salary, holiday entitlement, pension etc. It is also usual for UK companies to have a handbook (or mini-handbook, perhaps where there are fewer than 5 employees) setting out the company rules in respect of matters such as Health and Safety, Data Protection, Equal Opportunities, Disciplinary Rules and Procedure and Grievance Procedure. We have a specialist in-house HR team who will work with you throughout this set up and can be used on a retainer or ad hoc basis.

2

COMPANY SECRETARIAL SERVICES

Every company must maintain statutory registers and make various submissions onto public record at Companies House. Failure to do so can result in legal proceedings against individual directors. If there are changes to directors, shareholders or wider structure – these need to be formerly documented and declared. We have a specialist in-house Company Secretarial team who can provide this service and ensure you remain compliant for a fixed annual fee.

3

PROPERTY AND OTHER LEGAL

For other legal matters we can provide local introductions to UK lawyers, specific to your needs.



ACCOUNTING SUPPORT

Company

Every company in the UK is required to file statutory financial statements on public record at Companies House. The deadline is usually 9 months after the year end. Irrespective of the size of the UK company - there may be requirements for the UK subsidiary to have its financial statements independently audited where the Group is above a certain size. We can provide assistance preparing the financial statements and help you to determine whether there are any audit requirements.

Branch

Every branch in the UK is required to file the financial statements of its overseas company at Companies House. This is the case, even where such financial statements are not locally published. This can be one of the main reasons overseas businesses tend to set up and operate a UK company, rather than a branch. Branch's struggle to obtain Employers Liability Insurance from UK insurers, therefore, if you are planning on having UK employees, setting up a branch may prove a challenging.

Outsourcing – Accounting Systems

We are able to provide a full service solution, maintaining the UK operation accounting records for you. This is popular where VAT returns are required to be prepared on a quarterly basis and overseas accounting systems may not be geared up to produce information that will feed directly into the UK tax authority's system, as is now required. We can also maintain the UK operation accounting records on your global accounting system. Our dedicated Outsourcing team would be happy to talk through your requirements and provide an indication of costs.

EXPANDING FURTHER?

Once your UK business is established, you may wish to service Europe through the UK business, or even set up further entities across Europe. As part of HLB international we can provide a joined-up solution to deliver support as you expand.



HLB NETWORK

Our internal capability enables us to offer a comprehensive range of international services, and this is made truly global. That is where our membership of HLB International can help.

Ranked in the top 10 international accounting networks, this fast-growing, dynamic network of worldwide accounting firms and business advisors, services clients through its member firms in over 150 countries.

As the largest HLB member firm in the UK, we offer a comprehensive range of services – for both companies and individuals.

Many global companies and brands are setting up subsidiary operations in the UK. With offices in central London and at the UK's major international business gateways of Heathrow, Gatwick and Southampton, we are ideally placed to provide the close personal support that you need to establish successful operations in the UK.

CONTACT US

If you require any further information on any of the issues raised above, please get in touch and we would be delighted to advise and support you with any queries you may have involving setting up your business in the UK.



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ABOUT MENZIES LLP

Menzies is a leading UK business advisory and accountancy firm with international reach. We focus on optimising clients' businesses financially, operationally, and strategically. Founded in 1912, Menzies is headquartered in London, with regional offices across the UK. We employ approximately 700+ trusted advisors in audit, tax & compliance, accounts advisory, financial planning and specialist advisory services.

Our clients are mid-size and large privately held corporates, non-profits, and individuals, across the UK and internationally via major market country-desks.

In business, relationships matter. That's why we take a Partner-led approach, built on empathy and understanding. We ask the right questions, often challenging ones, to really define your aspirations, help you see the bigger picture, and inspire new opportunities. It's all part of our Brighter Thinking methodology designed to empower you with greater confidence and certainty in the face of increasing complexity.

OUR SECTOR SPECIALISMS

Our industry sector specialisation approach differentiates the firm's service delivery. Expert teams work in collaboration with each other delivering a host of business, tax and commercial advisory projects over and above the market leading assurance and compliance work undertaken for UK and International clients. Our sector teams cover:

- Retail & Wholesale
- Technology
- Transport & Logistics
- Property & Construction
- Manufacturing
- Hospitality & Leisure
- Recruitment
- Charities & Not for Profit
- Financial Services
- Legal Services

OUR LOCATIONS

- | | |
|---------------|---------------|
| 📍 London | 📍 Heathrow |
| 📍 Woking | 📍 Solent |
| 📍 Cardiff | 📍 Stevenage |
| 📍 Leatherhead | 📍 Farnborough |



OUR SERVICES

AUDIT & ASSURANCE

- Compliance services
- Specialised audits
- Internal assurance

TAX

- Large Corporates & International
- Business tax
- Private client

MENZIES WEALTH MANAGEMENT

- Financial Planning
- Personal & business protection
- Legacy & wealth management

OUTSOURCED BUSINESS SERVICES

- Accounts
- Outsourcing
- Payroll
- HR Services
- Company Secretarial

SPECIALIST ADVISORY

- Deal Advisory
- Business Recovery
- Forensics and Valuations
- Consultancy

MENZIES

BRIGHTER THINKING

Menzies LLP is a limited liability partnership registered in England and Wales with registered number No. OC336077. It is registered to carry on audit work in the UK; regulated for a range of investment business activities; and licensed to carry out the reserved legal activity of non-contentious probate in England and Wales by the Institute of Chartered Accountants in England and Wales. A list of the members of Menzies LLP is open to inspection at its registered office, 4th Floor, 95 Gresham Street, London, EC2V 7AB.

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www.menzies.co.uk/gdpr-data-protection-legal
