

## United Kingdom – private limited company

(Fees quoted are exclusive of VAT)

### Requirements:

- All UK companies must have a registered office in England or Wales.
- A minimum of one director who has to be an individual. There is no requirement for the director to be resident in the UK.
- A minimum of one shareholder. Corporate shareholders are permitted.
- A company secretary is optional. The company secretary can be a corporate body, and does not have to be resident in the UK (although for practical purposes, most are).
- There are no minimum capital requirements.
- The statutory books must be maintained in the UK. The following records will need to be maintained at the company's registered office or an alternative location which must be in the same part of the UK as the registered office. The company can only have one alternative location to the registered office at any time. The company may choose to keep some records at its registered office and some at its alternative inspection location provided that all the records of a type are kept together. Following the implementation of the Small Business Enterprise and Employment Act 2015, companies are also required to maintain a register of Persons of Significant Control (PSC) as defined below.
  - Register of members;
  - Register of persons of significant control (PSCs), holding more than 25% of issued capital, or voting rights, or majority rights to appoint and remove directors. Corporate shareholders of UK companies are required to identify the \*PSCs unless the company itself is required to have a register;
  - Register of directors (register of service address and register of residential address to be maintained);
  - register of secretaries;
  - records of resolutions and minutes of general meetings;
  - A \*PSC can be an individual holding directly or indirectly more than;
    - i) 25% of the issued capital, ii) voting rights, iii) the right to appoint or remove the majority of directors, iv) Otherwise having the right to exercise, or actually exercising, significant influence or control; and v) actually exercising, significant influence or control over activities of a trust or firm which is not a legal entity, but would itself satisfy any of the first four conditions if it were an individual;
  - Corporate shareholders of UK companies with shares admitted to trading on a regulated market in UK, European Economic Area, or on specified markets in Switzerland, the USA, Japan and Israel are required to provide details of the of the company; the legal form, a register in which it appears, registration number and registered or principal address;

## Annual accounts

- Annual accounts must be prepared and filed for every financial year. Every company must prepare accounts whether or not they are trading. The accounts filed at Companies House must be in accordance with the Companies Act 2006;
- Unless the company is filing its first accounts the time normally allowed for delivering accounts to Companies House is 9 months from the accounting reference date for a private company;
- Failure to deliver accounts on time is a criminal offence and the law imposes a civil penalty for late filing.

Accounts must also be filed with HMRC. There are different filing deadline and penalties for late filing.

Length of delay (measured from the date the accounts are due)	Penalty
Not more than 1 month	£150
More than 1 month but not more than 3 months	£375
More than 3 months but not more than 6 months	£750
More than 6 months	£1,500

- A confirmation statement (which replaced an annual return) must be submitted with a filing fee to Companies House every 12 months. This must be filed within 14 days after the anniversary of incorporation or the anniversary of the made-up-to date of the last confirmation statement. If a company does not submit a confirmation statement the Registrar may take steps to strike off the company.
- Value Added Tax (VAT) is a tax that is charged on most goods and services that VAT registered businesses provide in the UK. It is also charged on goods and services that are imported from countries outside the European Union and brought into UK from other EU countries.
  - VAT is charged when a VAT registered business sells to a third party. There are three rates of VAT, depending on the goods or services the business provides. The rates are standard - 20%; reduced – 5%; zero – 0 %. There are also some goods and services that are exempt from VAT or outside the scope of the UK VAT system altogether.
  - When VAT registered businesses buy goods or services they can generally reclaim the VAT they have paid.
  - If a company is not VAT registered business then it cannot reclaim the VAT paid on the purchase of goods and services.
  - A company has to register for VAT if the turnover on its taxable supplies for the previous 12 months is over the VAT registration threshold of £85,000.
  - From 1<sup>st</sup> January 2010 a company is required to file EC Sales List returns for goods and services sold within the EU. The EC Sales List returns will be due quarterly or monthly, if the quarterly turnover for goods is above £35,000.

- Corporation Tax is a tax payable on the taxable profits of limited companies and some organisations including clubs, societies, associations, co-operatives, charities and other unincorporated bodies. Taxable profits for Corporation Tax include:
  - Profits from taxable income such as trading profits and investment profits (except dividend income which is taxed differently);
  - Capital gains - known as 'chargeable gains' for Corporation Tax purposes.
- A UK company has to pay Corporation Tax on all taxable profits - wherever in the world those profits come from. If a company is not based in the UK but operates in the UK - for example through an office or branch (known to HMRC as a 'permanent establishment') – it will only have to pay Corporation Tax on any taxable profits arising from UK activities.
- A UK company will be subject to taxation on any profits made at 20%.
- The rate of Corporation Tax with effect from 1<sup>st</sup> April 2015 is 20%. This further reduces to 18% with effect from 1<sup>st</sup> April 2017 and 17% from 1 April 2020.

Fees	
Incorporation/Shelf Company (Shelf companies can be supplied instantly – incorporation generally takes 24 hours)	£200
Registered office	£250 per annum
Due diligence compliance review	£100 per annum
Nominee secretary	£250 per annum
Nominee shareholder	£250 per annum
Director facility	£500 per annum
Statutory maintenance	£250 per annum
Service address for a director or secretary or PSC	£ 75 per annum

## Statutory maintenance of UK companies includes:

- Preparation and filing of all statutory forms, including confirmation statements (and filing fee), minutes of general meetings and resolutions in connection with routine annual statutory matters.
- Appointment and resignation of directors and secretary.
- Maintaining statutory books, including various registers.
- Change of registered office and accounting reference date documentation.
- Transfer (not inclusive of stamp duty) and allotment of shares including minutes, stock transfer forms, statement of capital and share certificates.
- Professional Chartered Secretaries to answer technical questions.
- A charge may be requested for certain separate technical or complex issues, at the rate of £100 per hour.

We can also arrange for the following services:

Assistance with opening UK Bank accounts	Between £200 - £600
Nominees to act as Bank signatories (with due diligence)	£750 per annum + hourly fee for individual transactions
UK VAT registration application	£350
Preparation of quarterly VAT Returns	£400 per annum
Preparation and filing of EC Sales List Returns	£400 per annum if filed quarterly; £1,200 if filed monthly
Payroll services (includes registration with Inland Revenue to obtain a PAYE number, year- end statutory paperwork for payroll and processing monthly payslip for one employee)	£250 per annum
Accounting charges	By negotiation
Mail forwarding service	£250 per annum
Powers of attorney	£100
Certificate of Good Standing	£125 – regular £150 – express

Additional charges apply for courier & notarisation / apostille

PLEASE NOTE WE REQUIRE ALL CLIENTS TO SATISFACTORILY COMPLETE OUR DUE DILIGENCE REQUIREMENTS AND COMPLY WITH THE MONEY LAUNDERING REGULATIONS 2007.