



BUSINESS GUIDE: SETTING UP IN THE UK

REGISTERING A COMPANY

- ✓ Choosing a legal entity
- ✓ Selecting a UK company name
- ✓ Register with Companies House

This business guide is brought to you by the Swedish Chamber of Commerce for the UK. This information is for guidance purposes only and should not be regarded as a substitute for taking legal advice.

REGISTERING A COMPANY IN THE UK

All corporations are required to register and be incorporated with Companies House, a UK government agency that handles corporate registration in the UK. Do bear in mind that a company is not required to register if they have no physical presence in the UK, but if you are looking to practically set up your business - this guide will walk you through the different steps.



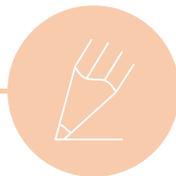
**CHOOSING A
LEGAL ENTITY**



**CHOOSING A
COMPANY NAME**



**REGISTER A LIMITED
COMPANY WITH
COMPANIES HOUSE**



This guide provides the basic steps and key considerations for an overseas company to register a UK subsidiary.



CHOOSE A LEGAL ENTITY

Firstly, you will need to decide what company structure is suitable for your business. Most commonly, founders decide to register a Limited company (Ltd), but there are several other structures to choose from. The following are common company structures;

- ✓ **Sole trader**
- ✓ **Partnerships**
- ✓ **Limited company**



SOLE PROPRIETORSHIP OR SOLE TRADER

This is the simplest business structure and only requires one individual. Using this legal structure, the business owner and his/her business will be seen as one entity by law. Hence, the business owner will have maximum control over the business, allowing him/her to make all the decisions. He will be considered to be self-employed and all profits made are entirely for him/her. However, this entails a risk for the business owner's personal assets, he/she will be liable for all losses. Income and losses will be taxed on the owner's personal tax income return.

STEP 1 Choose a legal entity



PARTNERSHIP

This structure is owned by two or more individuals and can be considered as an extension to the sole proprietorship/trader structure. The partners will share the responsibilities and liabilities of the business and these can vary between the individuals depending on the share structure. This allows a possibility to work with an experienced partner/partners and all partner owners can act on behalf of the business and share profits according to share structure. However, all partners have joint liability towards the company. You have full responsibility and liability for all company actions made by yourself and your business partner.



LIMITED COMPANY

A limited company will be owned and controlled by those who own the shares of the company. This option allows the business owner to separate himself from the limited company business, who will be its own "legal person". The limited company structure is the most popular among small to medium-sized small businesses. It offers limited liability; you are not personally responsible for any losses. Setting up and running a limited company that is owned by your parent company has a number of advantages.



CHOOSING A COMPANY NAME

Before you register the company, you need to check that your company's name is available.

STEP 2

Choose a
company
name



TOP TIPS WHEN REGISTERING A COMPANY NAME

- ✓ Pick a name that is meaningful
- ✓ Keep the name short
- ✓ Research the UK market - the names of your competitor companies can be used as inspiration
- ✓ Avoid company names in Swedish that are hard to spell or say in English





1. ENTER INFORMATION

- ✓ **Registered office**
This is the address where Companies House and HMRC will send mail, it must be in the UK. It can also be your service provider's address, for example, the SCC offers this service.
- ✓ **Company directors**
Your company must have at least one director. Companies House will want to know their name, date of birth and residential address.
- ✓ **Shareholders**
Every company must have at least one shareholder, it can be the same person as the director. Companies House will want to know their personal details.

STEP 3
Register a
company with
Companies
House



2. ALLOCATE COMPANY SHARES

You will need to allocate shares to your shareholder(s). An easy way of doing this is to allocate one share to each shareholder and make each individual share worth £1.



3. COMPLETE MEMORANDUM AND ARTICLES OF ASSOCIATION

These formalise how your company will be operating. They need to be signed by the company directors, shareholders and secretary before you can register your UK company.



4. SUBMIT EVERYTHING TO COMPANIES HOUSE

You need to submit your applications by 3pm if you want a same-day registration.





**SWEDISH CHAMBER OF
COMMERCE FOR THE UK**

WE HELP BUSINESSES TO ESTABLISH, GROW AND DEVELOP

The Swedish Chamber of Commerce for the United Kingdom – a not for profit organisation – is the ultimate platform for entrepreneurs and businesses within the Swedish-British business community. Founded in 1906 – by business and for business – we have represented, inspired and promoted our members, extended commercial relations between our countries, and delivered first-class services and events for over a century.

We serve a broad and diverse network of businesses – from entrepreneurs and start-ups to large corporates, and passionately aspire to provide the most relevant and valuable services. We support businesses throughout their life cycle, whether they are expanding into the UK, developing their business or wanting to connect more widely within the community.

RANGE OF BUSINESS SERVICES

We offer a range of business services to help both Swedish and British businesses establish, grow and develop. The Chamber is the ultimate platform to nurture innovation, develop your business and teams and provide valuable connections to support any phase of your business cycle.

With the collective knowledge of our Members and our extended network, we know every aspect of setting up and running a business in the UK.

We are a not for profit organisation, at the service of both members and non-members. As a member, you have priority and enjoy discounted rates on the range of business services.

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