

Doing business in the UK



The UK

The UK has long been an ideal destination for businesses from entrepreneurs to multinationals who are attracted here for the geographical location, favourable time-zone, infrastructure and connectivity.

The government is investing in the future with the world's first test bed for 5G technologies. As well as investing in more traditional infrastructure projects such as HS2 (the new high-speed railway link) and expansion of Heathrow airport. This interconnected forward-thinking eco-system allows people to start their businesses, scale them, exit or turn them into multi-million pound successes from the UK.

Population

The UK is the fifth largest economy in the world. Like many countries it suffered significantly in the aftermath of the 2008 global banking crisis. However, GDP has long since surpassed pre-crisis levels and in recent years has been one of the fastest growing economies in the G7. UK unemployment stands at 4.4% which is amongst the lowest in the developed world and is testament to UK's highly skilled workforce and flexible labour market.

Property

It is normal for enterprises to rent their property. In London there are plenty of shared workspaces making it easy to set up a base from which to expand.

The government is seeking to expand supply and is demanding local authorities approve planning applications for new housing.

The EU referendum

In June 2016 the UK voted to leave the EU. The UK government and European Commission are currently negotiating the transitional arrangements and the future relationship.

London

London is the UK's commercial hub.

Regardless of what the new trading relationships have in store, big business and entrepreneurs alike are making London their base.

Google, Facebook, Bloomberg and Deutchesbank have all invested in new Headquarters in London since the EU referendum.

But its not just the big boys who find opportunities here. Family businesses account for a quarter of the UK's Gross Domestic Product, employing 12 million people.

One of London's recent success stories has been the creation of tech city which has acted as an incubator for entrepreneurial businesses looking take advantage of new opportunities within the digital economy.

Global hub

With five airports and the rail link to the European mainland London is highly accessible for the business traveller and connected to most corners of the globe.



Goodman Jones

Chartered Accountants
Business Advisers
Tax Consultants

Goodman Jones LLP
29/30 Fitzroy Square London W1T 6LQ
T+44(0)20 7388 2444 • F+44(0)20 7388 6736
info@goodmanjones.com • www.goodmanjones.com



Attractive tax incentives

Key tax breaks that any potential inbound investor should be aware of include:

- The UK Corporation Tax Rate is one of lowest in the G20
- Low Social Security Rate for employers
- Attractive Capital Allowances and Annual Investment Allowance on the purchase of plant and machinery
- The UK Patent Box regime with an even lower corporation tax rate possible
- Incentives for innovation in the form of R&D Tax Credits for any business that can demonstrate they solved a technical challenge and where it is not possible to acquire an off-shelf alternative. We have helped businesses in a range of different sectors obtain this relief from construction to financial services

Goodman Jones

Goodman Jones is a business advisory firm, passionate about providing an outstanding service tailored to each client, and is a member firm of the Institute of Chartered Accountants in England & Wales.

We are based in a single office in central London and are now in the top 60 practices in the UK.

In addition to our own expertise in London, we can call on GMN International, our worldwide association of legally independent accounting firms.

As well as being proud to be the UK representative firm of GMN International, we are also members of the UK Advisory Network which was set up by Department for International Trade

“As well as being proud to be the UK representative of GMN International, we are also members of the UK Advisory Network.”

(DIT) to provide an accessible route to high quality and trusted professional support, for foreign investors setting up in the UK.

The Network consists of business services providers across a range of disciplines which provide advice on all aspects of establishing your business in the UK. Members complete a robust application process to join the Network.

How we can help:

Structuring

We help the organisation explore which structure is most suited to their requirements – typically, but not limited to, either a UK limited company, a UK partnership or a UK-registered branch of the parent company.

Tax planning & advice

We guide investors through UK tax and anti-avoidance legislation and provide support for both the organisation and the individuals including:



Goodman Jones



Corporation tax compliance:

- We can help you get your tax strategy right from the outset.
- We can also act as your tax agent in the UK and liaise with HMRC on your behalf.

Transfer pricing:

- We can look at the consideration of the proposed business model and risk allocation between parent and subsidiary to identify the nature of the return the UK operation should be seen to achieve.
- We can identify the transactions/intercompany interactions which could be covered by transfer pricing rules
- We can benchmark to confirm the appropriateness of the intercompany prices charged
- We can support you to ensure appropriate intercompany agreements are in place

VAT & customs duty

We explain the principles behind VAT, and advise on the need for, and arrange if necessary, VAT registration.

Accounting

We can provide your on-going UK accounting and advise on modifications required to their General Ledgers for UK purposes.

IFRS accounting

International Financial Reporting Standards (IFRS) applies whether you are required to report publicly or whether you are an SME though there are different standards for each with much fewer

disclosure requirements for SMEs. We can ensure that your accounts comply.

UK audit

We are registered auditors and have considerable experience acting as auditor for the UK subsidiaries of international groups.

Financial due diligence

Where groups have invested in the UK through the acquisition of a UK based enterprise, we have provided support through the acquisition process and appropriate financial due diligence.

Fund raising and banking

We can help advise on UK funding (whether grants, equity or bank finance) and the practical issues such as setting up bank accounts.

Employees

We can advise on all aspects of bringing employees, directors and partners to the UK including:

- Advising on the issues regarding employment whether they are ex-pats relocating or new employment of locals.
- Helping employers evaluate the position regarding salary equalisation across countries
- Providing HR advice and support including creating staff handbooks and providing interview support.
- Providing your payroll operation including payroll equalisation and support with P11D compliance.
- Advising on auto-enrolment and pensions issues.



Goodman Jones



Property

- We are experts in property and tax issues arising in the UK. We are also well connected within the sector and able to make introductions for those looking for premises, be they for occupation by the business or accommodation for ex-patriate employees.



For more information, please contact
Graeme Bursack
graeme.bursack@goodmanjones.com
+44(0)20 7874 8813

How we've helped:

- Provided domiciliation services for a French financial services business and provided IFRS Financial Statements
- Provided an independent valuation of a British business that was being acquired by a Belgian company in compliance with International Accounting Standards.
- Helping an Austrian subsidiary re employee taxation issues.
- We helped a US company with the conversion of its standard US employment contract to a UK-compliant equivalent. The US business had not been aware that its standard contract could expose it to penalty under UK employment legislation.



For more information, please contact
Graeme Blair
graeme.blair@goodmanjones.com
+44(0)20 7874 8835

Read our blog www.goodmanjones.com/blog
or follow us on   



Goodman Jones is the UK representative firm of GMN International.



Goodman Jones

Chartered Accountants
Business Advisers
Tax Consultants

Goodman Jones LLP
29/30 Fitzroy Square London W1T 6LQ
T+44 (0)20 7388 2444 • F+44(0)20 7388 6736
info@goodmanjones.com • www.goodmanjones.com