

COUNTRY GUIDE

UNITED KINGDOM

The United Kingdom (U.K.) is a global trading power and economic powerhouse, the fifth largest economy in the world, one of the top investment destinations for the U.S., and one of the most appealing corporate homes in Europe.



FUNDS

The U.K. is a leading global investment management hub. The government has employed a combination of long-term commitment, close collaboration, and encouragement for innovation to create a favorable environment for investment in the U.K.

INSURANCE

With the Brexit challenge unresolved, insurers who write business cross-border are having to restructure their U.K. and European operations to continue to trade with the EU27.

U.K. REGISTERED COMPANIES

As of March 2019, there were 4,202,044 companies on the total register and 3,926,374 on the effective register.

INTERNATIONAL BANKING

London is the second largest global financial center. Due to the uncertainties caused by Brexit, New York is likely to retain its number one spot for the next few years.

FINANCIAL SERVICES


The services sector, including financial services, accounts for about 80 percent of the U.K. economy.

CAPITAL MARKETS

A prolonged period of political and market uncertainty in the U.K. has impacted capital raising and related activities in the region.

FIDUCIARY SERVICES

Overall the Competition and Markets Authority found an industry that is functioning well, does not have excessive concentration or high barriers to entry and is seeking to serve its clients' best interests.

 Geography 	Location: The U.K. is an island nation in northwestern Europe, made up of England, Wales, Scotland, and Northern Ireland Area: 93,628 miles Time zone: Greenwich Mean Time (GMT)
 Population	66,040,229
 Language(s)	English
 Economy	Financial services, aerospace, pharmaceutical
 Capital City	London
 Currency	Pound Sterling
 Political structure	Stable
 Legal system	The U.K. has three legal systems: English law, Scots law, and Northern Ireland law

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

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Types of Legal Entities

	PRIVATE COMPANY LIMITED BY SHARES (LTD)	PUBLIC LIMITED COMPANY (PLC)	U.K. ESTABLISHMENT (BRANCH)
Share capital			
Minimum paid-up	No numeric minimum (at least one share must be issued)	£50,000 (of which 25% must be paid up)	No share capital
Maximum authorized	N/A	N/A	No share capital
Usual currency	GBP	GBP	No share capital
Permitted currencies	No restrictions	No restrictions	No share capital
Domiciliation			
Registered address	Local registered address required in country of incorporation (England, Wales, Scotland or Northern Ireland). PO Box not permitted.	Local registered address required in country of incorporation (England, Wales, Scotland or Northern Ireland). PO Box not permitted.	Physical location where U.K. business is conducted (fixed place of business)
Directors			
Minimum number	One	Two	N/A (U.K. representative of foreign parent company must be appointed)
Minimum local	Not required	Not required	N/A
Corporate directors	Permitted if the entity also has a minimum of one natural/individual director	Permitted if the entity also has a minimum of two natural/individual directors	N/A
Statutory			
Annual filing	Filing of annual accounts, annual confirmation statement	Filing of annual accounts, annual confirmation statement	Filing of overseas parent company's annual financial statements with Companies House in the U.K.
Company secretary	Optional	Required (must be suitably qualified)	N/A
Annual general meeting (AGM)	Optional (no location requirements). Required within 9 months of financial year-end if company is a traded company.	Required within 6 months of financial year-end. Must be held in the U.K. Company is required to give at least 21 days prior notice of AGM.	N/A
Beneficial Owner reporting	Required	Required	May be required
Re-domiciliation	Not permitted	Not permitted	If foreign parent company re-domiciles, Companies House must be notified in the U.K. U.K. establishment may not re-domicile.
Financial administration			
Audit required	Exemption possible if company satisfies at least two of the following conditions for two successive years: <ul style="list-style-type: none"> ➤ Annual turnover no more than £10.2 million ➤ Assets worth no more than £5.1 million ➤ 50 or fewer employees on average. Audit may be required by provisions in company Articles of Association. Different audit requirements apply if company is a subsidiary.	Required. Exemption may apply if public company is dormant.	If overseas parent company is audited, copy of audit report must be filed with Companies House in the U.K. with the parent company's annual financial statements.

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Types of Legal Entities

	PRIVATE COMPANY LIMITED BY SHARES (LTD)	PUBLIC LIMITED COMPANY (PLC)	U.K. ESTABLISHMENT (BRANCH)
Filing of Annual Return	Required to file annual Corporation Tax return with HMRC within 12 months of financial year-end	Required to file annual Corporation Tax return with HMRC within 12 months of financial year-end	May be required to file annual Corporation Tax return with HMRC within 12 months of financial year-end
Tax			
Tax rates	Corporation Tax 19%	Corporation Tax 19%	Corporation Tax 19% on U.K. profits
VAT	20% Company VAT registration optional if annual turnover is less than £85,000	20% Company VAT registration optional if annual turnover is less than £85,000	20%
Tax treaties	Negotiated with 100+ countries	Negotiated with 100+ countries	N/A
Other taxes	Tax on Dividends: three rates of 7.5%, 32.5% and 38.1% Capital Gains Tax: 20%, 28% on property	Tax on Dividends: three rates of 7.5%, 32.5% and 38.1% Capital Gains Tax: 20%, 28% on property	N/A
Government fees			
Registry fee	Fees for certain filings, £13 annual fee for Confirmation Statement filing	Fees for certain filings, £13 annual fee for Confirmation Statement filing	Fees for certain filings
License fee	May be payable to respective regulatory body	May be payable to respective regulatory body	May be payable to respective regulatory body
Incorporation process			
Summary	<ul style="list-style-type: none"> ▶ Filing of incorporation documents at Companies House ▶ Filing of Memorandum and Articles of Association (Model Articles available) ▶ Automatic UTR (TIN) allocation by HMRC 	<ul style="list-style-type: none"> ▶ Filing of incorporation documents at Companies House ▶ Filing of Memorandum and Articles of Association (Model Articles available) ▶ Automatic UTR (TIN) allocation by HMRC ▶ Corporation Tax registration with HMRC within 3 months of commencing business 	<ul style="list-style-type: none"> ▶ Filing of certified and translated corporate documents of the overseas parent company ▶ Filing of certified financial statements of the overseas parent company ▶ Payment of Companies House registration fee (£20)
Time	24 hours from filing submission. Same-day expedited incorporation available for a premium.	24 hours from filing submission. Same-day expedited incorporation available for a premium.	Variable. Hard copy registration forms must be submitted by post.
Other			
Are shelf corporations available?	Uncommon due to ease of incorporation	Uncommon due to ease of incorporation	N/A

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CT Service Offerings – United Kingdom



Global Transactional Services

- Due diligence searches
 - Certificate of Good Standing (or equivalent)
 - Health check services
 - Liens/charges
 - Litigation
 - Bankruptcy
- Document retrieval
 - Articles of Incorporation
 - Memorandum of Association
 - Chamber of Commerce Extract
- Authentications & legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services

Global Entity Management

- Corporate Secretarial Services
- Annual Compliance
 - Statutory filings
 - Annual board resolution drafting
 - Corporate minute book management
- Domiciliation/Registered Address
- Director Services and Legal Representation

To learn more about how CT can help you better manage your global compliance needs, contact a CT representative at 855.444.5358 (toll-free U.S.).

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