

YourBusiness

Register your Business

Well done, you've come this far; you are ready to start trading but not sure where you stand legally. The main issue to consider is the form your business is going to take. The information below shows the most common types of business and steps needed to register the business, there are other types of formation and legal status which may apply to charities and non profit organisations.

The three main types for start-ups include: sole trader, partnership and private limited companies.

Sole Trader:

You need to inform HMRC that you have set up your business and you can register as Self-Employed using the HMRC online application form. Visit hmrc.gov.uk. It is free to register your business with HMRC and you can also obtain guidance notes and information leaflets from their website. It is important that this form is submitted by three months of setting up the business or you will have to pay a penalty to HMRC. You will then sent an information pack and Self Assessment Form to be submitted after your fist tax year, April – April. If you submit your Self-Assessment form between April and September 30 the HMRC will calculate your tax for you, there are various ways of paying your tax bill and such as through your PAYE if you are employed or sending them a cheque.

You will be asked the following questions:

- Name and address
- National Insurance Number
- Date of Birth
- Contact Telephone Number
- Contact Email Address
- Date self-employment started
- The nature of the business
- Business Address
- Unique Tax Reference if you were previously self-employed

Partnership:

If you have set up a partnership each partner must register with the HMRC separately. See details above for registering as self-employed.

If joining an existing partnership you will need your business' UTR and the names and National Insurance Numbers of your business partners.

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Private Limited Company:

Before supplying any paperwork to Companies House for registration, you should check to ensure the name is available for use. You can do this by either calling the Contact Centre on 0870 3333636, or by using the Companies House WebCheck service. www.companieshouse.gov.uk

Registration of your business is referred to as incorporation into a limited company and to do this you will need to complete 4 forms (Forms 10 & 12, Memorandum of Association and Articles of Association) and send them to Companies House.

Form 10

You will need to complete details such as where your Registered Office will be based (either in England and Wales, or Scotland). You will also need to supply the names and address of directors and the Company Secretary.

Form 12

This is the declaration of Compliance with the Companies Act 1985 in for the registration of your new company. Once the Memorandum and Articles of Association have been completed, you will need to have the signing witnessed by any of the following:

- Solicitor
- Commissioner for Oaths
- Notary Public
- Justice of the Peace.
- Memorandum of Association

Articles of Association

All initial shareholders need to sign this document which provides companies House full details of the internal management affairs of the business. This form is provided by Companies House.

Memorandum of Association

You cannot get this document from Companies House; you need to buy this from a Legal Stationer, search local listings for details of these companies.

After you've got all the forms completed and signed by the appropriate people you need to file them with Companies House and send the relevant filing fee. The standard fee is £20, however if you like to have it done more quickly you can pay £50 for the Same Day service, and all documents must be submitted by 15:00 in this case. When using this service you need to address it to the New Companies Section and the envelope should be marked in bold print **SAME DAY INCORPORATION**.