Setting up a business in Cornwall

Everything you need to know to kickstart your growth journey in the UK

CORNWALL
TRADE AND INVESTMENT

European Union
European Regional Development Fund

Welcome to the UK

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Whatever stage of your business journey you're at, establishing your organisation in the UK can help you expand your reach, access new opportunities and build a foundation for lasting growth.

We've created this guide to help make the process clearer and easier for you to navigate. Inside you'll find practical steps and advice to help you make the right decisions, plan your move intelligently, and kickstart your UK growth journey in Cornwall.

Whether you're wondering what to expect when registering your company, or planning your first steps into the UK, we hope you find this guide informative and useful.

The Cornwall Trade and Investment team

1

Arriving in the UK

Wherever you're coming from in the world, if you want to establish your business and begin operating in the UK, your first priority should be obtaining a relevant visa. Applying for a UK visa is a straightforward process, and is often completed in just a few weeks for representatives of businesses that are already established overseas.

Applying for a Representative of an Overseas Business Visa
Once you begin taking solid steps to establish your business in the UK, you'll need to apply for a representative of an Overseas Business visa. These visas are made available to the sole Representatives of overseas companies to help them establish themselves in the UK.

To be eligible for this visa you must:

- Have enough money to support yourself without help from public funds. Learn more here →
- Meet the English language requirement

UK government guidelines dictate that if you are coming to the UK as a sole representative, you must:

- Be recruited and employed outside the UK by an active and trading business (whose headquarters and principal place of business are, and will remain, outside the UK)
- Have the skills, experience and knowledge to do the role
- Hold a senior position within the business (but do not own or control the majority of it) and have full authority to make decisions on its behalf
- Intend to establish the overseas business's first commercial presence in the UK, either as a registered branch or a wholly owned subsidiary

The visa enables you to work in the UK for three years, with the option to extend it for a further two years as required. Once you have been in the UK for five years, you'll be able to apply for permanent settled status – ensuring you don't need any further visas to live and work here.

Other visa options
The UK Government offers a number of other visa types that you may be eligible for as an inward investor establishing a business in the UK:

1

The Start-up visa
If you're an entrepreneur with a high-potential business idea that you want to set up in the UK for the first time, this visa might be for you. Currently, Start-up visas can be issued for a period of two years, at which point they can be transferred into an Innovator visa.

To successfully apply for this visa, you'll need to acquire an endorsement from an approved endorsing body. Examples of those include higher education institutions and leading businesses in the UK.

Find out more here →

2

The Innovator visa
This visa is for established, operational businesses with a minimum of £50,000 funding invested into them – making it a great follow-up for those that established themselves using a Start-up visa.

Innovator visas are issued for three years, after which you can either apply for a three-year extension or apply to settle permanently in the UK.

Find out more here →

3

The Global Talent visa
Global Talent visas are available to individuals that are either recognised as a leader or an emerging leader in one of the following fields:

– Academia or research
– Arts and culture
– Digital technology

Find out more here →

2

Formally registering your UK business

With your exploration of the UK complete and all relevant visas acquired, you can begin the process of formally creating your new UK-based business.

Deciding on the legal structure of your business
When you set your business up in the UK, you've got two options for the kind of entity it can be. The first, a UK Private Limited Company, is known as a subsidiary and is a distinct legal entity separate from your operations overseas. The second, a UK branch, is known as a UK establishment and is an extension of your existing company.

Both entity types have the same legal requirements and responsibilities, but there are a few distinguishing features you may want to consider when making the choice.

Subsidiaries:

– Only need to file their own financials
– Can benefit from UK tax deductions on repayments of loans from the parent company
– Subject to UK Corporation Tax on their worldwide profits

UK branches/establishments:

– Are more closely linked with your parent company, and require you to disclose the financials and details of that parent company to Companies House – the body that manages and oversees all companies created and operating in the UK
– Benefit directly from the capital of the parent company, and can generally operate at a higher capital level as a result
– Subject to UK Corporation Tax on all parent company profits attributable to the UK branch

Learn more about UK entity types and registration here →

Registering a new business at Companies House
Every new UK business is legally required to register with Companies House. The registration process is quick and can easily be completed online through the UK government website. Before you register, you'll need:

– A suitable company name
– An address for your company
– At least one director
– Details of the company's shares (at least one shareholder is required)
– A SIC code that identifies what your company does (a condensed list of these can also be found on the UK government website)

Registering as an overseas company
As an established overseas organisation, you may be eligible to register with Companies House as an overseas company. This is a simpler process, and only requires the completion of one form.

To register as an overseas business, you must fill in form OS IN01 and send it to Companies House within one month of opening for business. Registering this way carries a charge of £20.

The form and all relevant addresses and information can be found here →

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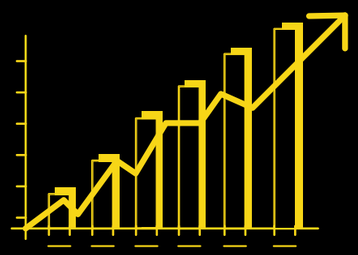

Establishing a UK Financial Base

To operate in the UK, you don't necessarily always need a UK bank account. However, establishing one (or more) is a good idea, as it adds credibility for your company, and enables you to handle local transactions at a lower cost.

To open a UK business account, you'll need all of the details gained through your Companies House registration (whether you've registered a new business or registered as an overseas company) as well as personal identification for named account holders.

Appointing a UK resident Company Director or Shareholder and investing in a UK place of business such as a serviced office can help to support your application too.

Whatever bank you choose to open an account with, we advise inward investors to engage directly with the bank's international on-boarding team. Every major bank offers a centralised specialist function to help you as an international business access the best solutions and services tailored to your needs.

If you need more support Cornwall Trade & Investment can connect you with the Department for International Trade's Business Environment Advisory Team who have dedicated banking specialists on hand to help. Just get in touch – info@cornwallti.com

Extending your current finances to the UK
As an established organisation, it's possible that the bank in your home country that manages your existing banking needs operates in the UK – or has a partner bank here. If so, it's certainly worth contacting them and finding out if they can help you create new accounts for your UK-based entity.

Having your existing bank involved can simplify the process, and make establishing a UK financial base easier.

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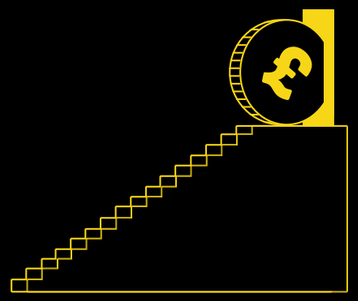


Accessing UK-level funding

Funding is essential for any business. Once you're established in the UK, you'll be able to benefit from a large number of different funding and support options.

Research and innovation funding opportunities
Many national level funds provide targeted support for organisations that are developing innovative solutions to emerging challenges across industries. Businesses in the UK can apply for research and innovation based funding opportunities, including:

UK Research and Innovation (UKRI)
UKRI provides grants aimed at helping businesses unlock the full potential of emerging technologies and apply them in creative ways. It aims to de-risk, enable and support innovation across the UK by directly funding organisations and research collaborations with great ideas.

Since 2007, UKRI has invested around £2.5 billion into business innovation in the UK, with match funding from industry taking the total value of projects above £4.3 billion.

Learn more here →

Small Business Research Initiative
The Small Business Research Initiative (SBRI) is a programme aimed at giving small businesses the resources and opportunity to solve major government challenges. It's aimed at helping the public sector benefit from the innovative ideas of growing businesses, and accelerate technology adoption across government bodies and organisations.

More than 2,200 SBRI contracts have been issued since 2009, valued at over £270 million.

Learn more here →

Research and Development Tax Credits
Small and medium sized businesses in the UK can earn cash payments and corporate tax reductions from the government simply by investing in new products, processes and services.

The Research and Development Tax Credits programme was created to drive UK businesses towards new advances in their fields by providing clear financial incentives. The tax credits give companies the freedom and confidence to pursue new ideas, and can even be claimed on unsuccessful projects.

Learn more here →

Debt and equity finance options
Debt and equity finance are the backbone of business funding. In the UK, you'll find no shortage of options for both. Government-operated and promoted debt and equity finance options include:

Enterprise Finance Guarantee
Operated by the British Business Bank, Enterprise Finance Guarantee provides loans to small businesses that are unable to meet the loan terms set out by retail banks. To date, it has provided over £3.3 billion in finance to organisations that couldn't have raised the funds otherwise.

This programme ensures that organisations with great ideas have a way to succeed in the UK, even when their current situations can't secure them direct funding through traditional channels.

Learn more here →

Angel Co-Fund
The Angel Co-Fund provides equity investments of between £100,000 and £1 million to growing businesses in the UK. It brings smaller businesses together with strong syndicates of business angels to not only provide finance, but also support growth and share expertise.

This fund provides organisations that are new to the UK with a simple way of connecting with private investors and business angels in the country. Rather than having to make connections independently, businesses can secure investment directly through the programme.

Learn more here →

Seed Enterprise Investment Scheme (SEIS)
The Seed Enterprise Investment Scheme (SEIS) connects investors with growing businesses in the UK, and provides investing parties with tax relief, in exchange for funding high-potential UK businesses.

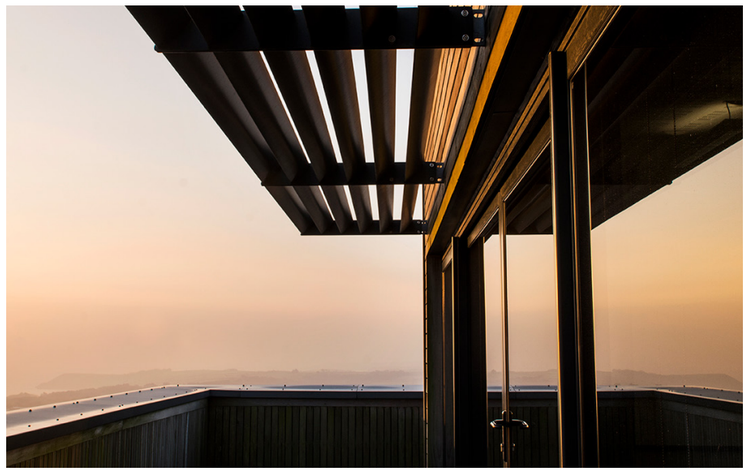
It's an exciting and mutually beneficial programme that connects investors with companies that they can truly make a difference to, and ensures that everyone gains from the relationship right from the beginning.

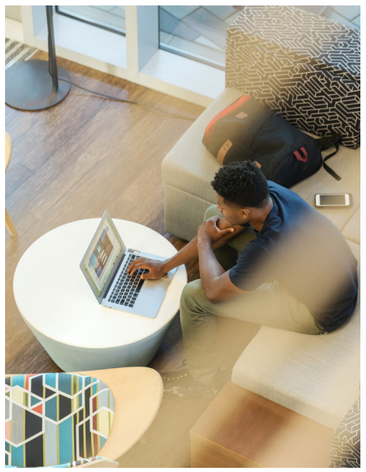
Learn more here →

How to access the support you need
If you'd like to learn more about the support and funding options available in Cornwall, and contact the people responsible for managing them, Cornwall Trade and Investment can help.

As part of the exploration support we offer to new inward investors, we can put you in contact with the right people and organisations, so you can find out if a particular funding option is right for you.

To find out more about our exploration support, talk to us today.





Accessing region-specific support and funding in Cornwall
In addition to all of the great funding options available to businesses anywhere in the UK, Cornwall also benefits from a wide range of region-specific funding and growth programmes.

By establishing your business in Cornwall, you'll be able to access an even greater number of valuable support opportunities from funds and organisations including:

Cornwall and Isles of Scilly Investment Fund
The Cornwall and Isles of Scilly Investment fund provides commercially-focused debt and equity funding for growing businesses in Cornwall. This fund is operated by the British Business Bank, and will continue to be available post-Brexit for businesses established in Cornwall.

Learn more here →

Oxford Innovation
Oxford Innovation provides expert business coaching and non-financial support to help businesses in Cornwall grow with confidence. The organisation offers fully funded consultation and support services, designed to provide growing businesses with expert external insights that can help them along their growth journey.

Learn more here →

Business Investment for Growth & Productivity
Business Investment for Growth and Productivity (BIGP) is a growth fund that aims to create jobs and boost business productivity by gap funding businesses that have significant national and international opportunities. BIGP focuses on enabling opportunities within and beyond Cornwall – providing targeted support for organisations with export plans, and plans to expand further across borders. The fund manages over £3m, and will run until June 2022.

Learn more here →

eHealth Productivity and Innovation in Cornwall (EPIC)
EPIC is a European funded project operated by the University of Plymouth. It connects eHealth businesses with innovation opportunities in the region, and provides funding to help those businesses find innovative solutions to real challenges being experienced across Cornwall's health and care sector. In 2020, EPIC received a further £4m in funding, extending the project until 2023, and ensuring that support can still be provided post-Brexit.

Learn more here ▸

Marine-i
Marine-i is an ambitious programme designed to enable innovation in the marine technology sector in Cornwall and the Isles of Scilly – a key growth sector for the region. If your business delivers services or solutions for the marine industry, Marine-i could help you access valuable research and development support. The programme is currently funded to run until 2023.

Learn more here →

Aerospace Cornwall
Aerospace Cornwall supports Cornwall's growing Aerospace sector – providing funding to support research in this expanding field. If you've got a big idea that could change the aerospace industry, it provides funding to help you bring it to life.

Learn more here →

Agritech Cornwall
Agritech Cornwall provides innovation grants to help Agritech innovators conduct feasibility studies, commission specialist researchers, cover consultancy costs or, employ specialists to undertake direct research. Agritech Cornwall is a £10m initiative, and runs until June 2021.

Learn more here →

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As a newly-established UK business, you'll need to understand a variety of important national systems and structures including relevant elements of the legal system and your tax obligations.

Understanding Your Tax and Legal Responsibilities

Your legal responsibilities as a UK business
Once you're established in the UK it's a good idea to familiarise yourself with the basics of the UK legal system. For specific advice and insight, you should always seek the help of a solicitor or legal professional.

As a business, you're primarily going to want to understand the basics of UK employment law. Again, we recommend seeking the advice of an accredited professional if you have any specific legal questions or want a complete formal explanation of your responsibilities. But it's important to be aware that as a business operating in the UK, you have a legal responsibility to:

- Recruit safely, equitably, and within the outlines dictated by UK law
- Protect the personal information and data of your employees and customers
- Provide employees with the minimum annual paid holiday allowance of 28 days for full-time employees (including national holidays)
- Ensure employees don't work more than the statutory maximum average number of hours per week (48 hours)
- Ensure the health and safety of your employees while they're at work
- Not engage in any form of discrimination in the workplace (including race, disability, age, sex, sexual orientation and religion or belief)

UK Business tax obligations
Once you're operating in the UK, you must also understand the taxation requirements that you'll be expected to uphold and pay. The UK tax system as a whole is relatively simple to familiarise yourself with, but you'll more than likely want to employ an accountant to work out the finer details and help you understand what reliefs may be available to you. You can find a plethora of information on this subject by visiting here →

As a business, depending on your size and financial situation, you'll be expected to register for and pay some of the following forms of tax:

1 **Corporation Tax**
Tax paid on your business' trading profits. Current rate set at 19% (2020/21).

2 **Stamp Duty**
A tax on transfers of land or interests in land, should a business own property.

3 **Capital Gains**
On sale of assets where there has been a financial gain.

4 **Business Rates**
Known as 'National Non-Domestic Rates', this is payable on all business premises. Reliefs apply. For example, you will not pay business rates on a property with a rateable value of £12,000 or less. This is known as Small Business Rate Relief.

5 **Value Added Tax (VAT)**
Tax paid on the final consumption of goods and services. This is payable on most business-related goods and services in the UK at a standard rate of 20% if turnover is above the threshold (currently £85,000 for the 2020/21 tax year)*. Some businesses may still want to opt in to pay VAT if they fall below this threshold.

6 **Pay As You Earn (PAYE) Deductions**
Deductions made from employee earnings (including your own) as part of your payroll activity.

7 **National Insurance**
A deduction from earnings that funds various forms of national benefit including the NHS and state pensions.

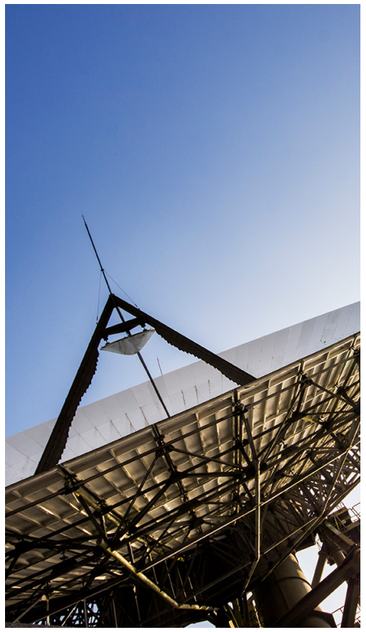
Registering for tax
Once you've registered your business with Companies House (see section three for more information on this), you'll be able to register to pay VAT and Corporation Tax. You can even register to pay Corporation Tax and sign up for PAYE as an employer at the same time as registering your business, making the process very simple.

Registering your business will give you a unique 10-digit taxpayer reference (UTR). Using this UTR, you can easily register to pay Corporation Tax, VAT, and set up PAYE for your employees through the portal here →

It's important to note, many of these tax requirements are time sensitive, and you will be expected to register your business for them in a timely manner. For example, PAYE payroll registration must be completed before your staff's first UK payday. Again, this can easily be done through the online portal using the details you've already obtained.

Acquiring business insurance
As a UK business, you are required to insure your business to protect you against numerous risks. UK law requires that you hold Employer's Liability insurance as soon as you recruit staff in the UK.

This insurance can be acquired from a large choice of providers, so it's worth researching your options prior to your arrival to find the right provider at the right cost.



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Accessing and hiring the UK's world-class talent

Hiring new people is an important part of growing your business in the UK. Wherever in the country you choose to establish your business, you'll find world-class talent that can help take your organisation to the next level.

The UK talent landscape
The UK is internationally-renowned for its diverse and highly-skilled talent. Numerous institutions and programmes come together here to both consistently empower and upskill the national workforce, and connect growing businesses with the talent they need, including:

Top universities and technical training
The UK is home to four of the world's top 10 universities, and you'll find exceptional education institutions in every corner of the country. But that's just one aspect of the nation's commitment to skills development and training.

Currently, the UK Government is working to establish a robust technical education system, and creating a National Retraining Scheme that will help UK residents develop essential digital skills – wherever they are in their career journey.

A world-famous apprenticeship programme
The UK has championed the apprenticeship model of skills development for decades, and today it remains one of the cornerstones of the country's commitment to developing practical, valuable vocational skills.

Apprenticeships benefit both trainees and businesses – giving apprentices the chance to earn as they learn, and businesses financial support to provide essential training.

Learn more about the UK's apprenticeship programme here →

Support to help get the right talent into the right roles
The UK boasts a strong recruitment infrastructure, with a large number of expert recruitment agencies available to help you find and recruit new people as you need them.
The UK Government even operates an Investment Support Directory that connects international businesses expanding into the UK with established organisations here, helping them access experienced advice on talent acquisition.

Learn more here →

To find more information on the talent acquisition and hiring process in the UK, visit →

Access a wealth of incredible talent in Cornwall
When you establish your business in Cornwall, you'll benefit from the UK's exceptional national talent pool. And with a myriad different industry clusters operating in the region, there's a range of experienced, knowledgeable professionals to be found – from IT professionals to renewable energy specialists.

Plus, there are other advantages that can help simplify the search for the right people to recruit, including:

Local talent and employment programmes
In Cornwall you'll find multiple organisations that exist to help develop local talent and connect growing businesses in the region with the right new people – all accessible to businesses free of charge. Unlocking Potential is the best example of this, and has been developing both individuals and businesses through unique employment opportunities for nearly 20 years.

Learn more about Unlocking Potential here →

A region that naturally attracts and retains great people
Cornwall's natural beauty and unique lifestyle offering are a powerful talent magnet – attracting talented people of all ages to a region where they can find the ideal work/life balance.

With more jobs now able to be completed from virtually anywhere, Cornwall is seeing a significant influx of digital and creative talent. And between the extensive rollout of superfast broadband, and the possibility of working beside the sea, it's easy to see why.

A connected ecosystem of businesses and universities
Cornwall is home to three university campuses, and numerous other further education institutions. Here, businesses and universities are constantly collaborating to bridge the gap between education and employment – making it simple to access skilled graduate talent across the region.

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Living and working in Cornwall

When you establish your business in Cornwall, you gain all of the benefits of operating in the UK – plus some amazing lifestyle advantages that you won't find anywhere else.

Quality education for all ages
In Cornwall, you'll find more than 250 schools serving pupils aged 5-18 – many of which are rated as excellent by Ofsted. So, whether you're bringing your family with you to the UK, thinking about starting one in the near future, or just looking for a source of skilled young talent, you'll find what you're looking for here.

Low cost of living
With an average cost of living well below that found in major cities, and lower house prices than the national average, Cornwall is an affordable place to live and work – making it a popular option with exporters looking to reduce their overheads while still reaching a global market.

A culture shaped by the sea
As a peninsula, there's no inland area in Cornwall that's more than 20 miles away from the sea. That's had a major impact on the region's culture and lifestyle offering. Whether you're interested in surfing on your lunch break, seeing miles of coastline from your office window, or just looking for somewhere you can enjoy open space and the outdoors, there's something for everyone to enjoy about Cornwall's coast.

Productive when you're working – peaceful when you're not
Thousands of professionals choose to live and work in Cornwall because it enables them to balance work and life perfectly. During the work day, you'll be part of an ambitious, growing community of innovators, directly connected to the rest of the world. Then, when you're relaxing, you'll find incredible spaces to clear your mind, enjoy an active lifestyle, and stay at your creative best.

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Exploring Cornwall and the UK

Before you start making any solid plans for establishing your business in Cornwall – or anywhere in the UK – first you need to explore the region and the opportunities it has to offer.

The ideal landing location in the UK won't just be cost-effective and well-connected, it should provide all of the space, support and resources you need to grow. At Cornwall Trade and Investment, we help companies exploring and evaluating Cornwall as a destination for their business to look beyond basic facts like potential operating costs, and find the ideal place to grow by identifying success factors including:

Industry clusters and communities
Major enterprise zones like Cornwall's Aerohub, Marine Enterprise Hub and Goonhilly Enterprise Zone go a step further, providing physical clusters where businesses in associated industries can grow alongside one another. These zones also provide valuable tax breaks and government support, as well as purpose-built locations for the kinds of technical work undertaken by businesses in those spaces.

Communities and clusters like this exist right across Cornwall, so it's well worth taking the time to see if there's a group or location that could help your business grow and thrive in the UK.

Dedicated support opportunities
Financial support and funding are hugely important to the success of growing businesses. In Cornwall, you'll find a wealth of general and industry-specific support to help your business thrive in the region – and successfully export from it.

We covered some of the major funds and support sources available earlier in this guide, where we look at how to access support during and after your move to the UK.

Workspaces
The location and premises you choose for your business can have a huge impact on your success. Whether you simply need a cost-effective space to grow, or you're looking to connect with other businesses and join a thriving community, you'll find something to suit you in Cornwall.

From industry-specific clusters and hubs, to purpose-built innovation centres – and a broad range of private enterprise properties – there's a lot to choose from. Get a closer look at what's on offer over on the workspaces page of our website →

Access direct exploration support
There's no better way to explore the opportunities in a region than by visiting and experiencing them for yourself. If you want to explore Cornwall and the opportunities within it, we can help.

Contact the Cornwall Trade and Investment team today using the details at the end of this guide, and we'll let you know how we can help you get closer to the region, and find out what's here for you.

Work with Cornwall Trade and Investment

Cornwall Trade and Investment exists to showcase the growing community and support resources available in the region, and help business leaders and innovators from all over the world seize the incredible, unique opportunities that exist here. Our support:

Local knowledge and advice
We have a wealth of knowledge about business in Cornwall. Our experts can answer questions about everything from the local business environment, to what it's like to live and work here.

Support with first steps
Hit the ground running by making sure your first trip to the region includes all the right meetings and location visits.

Help finding the perfect location
We'll help you get set up in Cornwall by finding the perfect place to work – whether it's your main premises or a satellite office.

Introductions to the business community
Start building your network in Cornwall with introductions to likeminded peers across the local business community.

Assistance with funding and growth
With our support, you can find and apply for any of the support and funding you need to make your mark in the UK.

Recruitment guidance and support
If you need to expand your team, we'll help you tap into the ever-growing breadth of Cornish talent.

Whatever you need, we're here to help. Talk to our team today.

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