

Setting up (an F&B) Business in the United Kingdom

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Overview of issues to consider

1. Type of structure for operation
2. Location
3. Food regulations
4. Laws on packaging and waste
5. Employment law issues (including immigration)
6. Managing Product Recalls
7. Taxation Issues
8. Data protection issues
9. Intellectual Property Rights

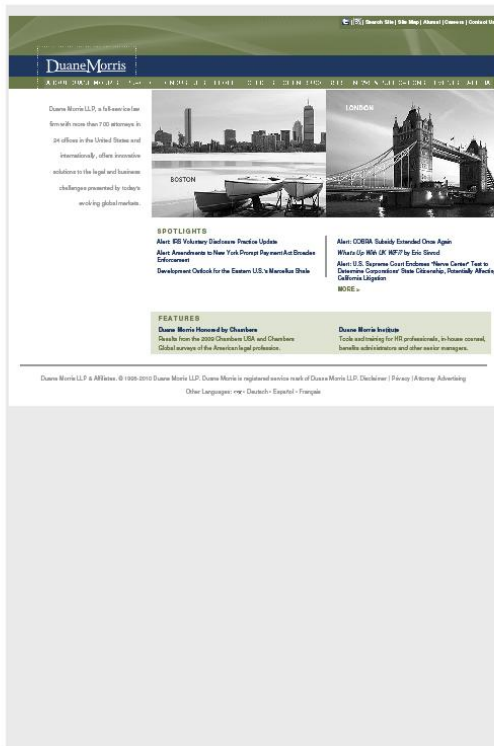
Business is Global



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Jonathan P. Armstrong practices in the area of corporate law with a concentration in technology and compliance. Mr. Armstrong's practice includes counseling multinational companies on matters involving tax, technology and compliance across Europe. He has handled legal matters in more than 40 countries involving emerging technology, corporate governance, taxation, internal investigations, marketing, branding and global privacy justice. Mr. Armstrong has succeeded a range of clients on breach prevention, mitigation and response.

Mr. Armstrong is a frequent broadcaster for the BBC and other channels and recently appeared on BBC News 24 as the studio guest on the Watson Review.

Mr. Armstrong is a graduate of the University of Leeds.

- Areas of Practice
- Commercial Dispute Resolution
 - Technology

Professional Activities

- New York State Bar Association
- Vice-Chair, International Section, 2005-present
- Fellow, Chartered Institute of Marketing
- Special Advisor to the Corporate Executive Programme, 2008-present
- National Computing Centre Legal Panel
- Member of the Advisory Board, Faculty, Georgetown University Advanced e-Commerce Institute, Washington, D.C., 2003-2005

Admissions

- England and Wales

Education

- Nottingham Law School, Law Society Final, 1999
- University of Leeds, LL.B. Law, 1999

Experience

- Duane Morris LLP
- Partner, 2005-present
- Everheds LLP
- Partner, 2000-2009
- Keadle Harman
- Technology and Litigation Lawyer, 1999-2000
- Smith & Graham
- Partner, 1999-1995

Civic and Charitable Activities

- Sheffield Business Club
- Chairman, 1999-2001
- Advisor, Prince's Youth Business Trust, 1993-1995

Honors and Awards

- Chartered Institute of Marketing, Alan Brayley Award Winner, 2008
- Regional Finalist, dMIA Awards for Innovation in e-commerce, 2009
- Regional Finalist, dMIA Awards for Innovation in e-commerce, 1999
- University of Leeds Bedford Cup Winner, 1997
- University of Leeds Bedford Cup Runner-Up, 1995
- University of Leeds Bedford Cup Winner, 1995

Selected Publications

- "Tougher Penalties for Breach of UK Data Protection Laws," Duane Morris Alert, January 13, 2009
- "The Signings of the First in-Cyber 'Treaties'," Computer Weekly, December 14, 2008
- Co-author, Managing Risk: Technology & Communications, published by LexisNexis
- "Information - The New Trade War," Managing Partner, June 2008
- "Modern Leadership Techniques Foster Crisis Management," Computer Weekly, July 2008
- "Regulation: The New Agenda in Services," Metropolitan Corporate Counsel, October 2007
- "Who Steals My Name: The US and EU Response to Data Security Breach," ACC Docket, June 2006

Types of Business Forms (1)

- Sole trader – individual personally liable
- Partnership – personally liable but no separate personality
- Limited partnership – general partners liable for debts, but limited partners only liable up to capital contributions
- Limited liability partnership – incorporated partnership, confers limited liability

Types of Business Forms (2)

- Company:
 - The United Kingdom has enjoyed a system of company registration since 1844
 - Governed mainly by the Companies Act 2006
 - Limited v unlimited company
 - Company limited by shares v company limited by guarantee
 - Public v private company
 - Community interest company

Incorporating a company in the United Kingdom

- Known as 'company formation'
- The Companies House: the Registrar of Companies in the United Kingdom, and an Executive Agency of the Department for Business, Innovation and Skills (BIS)
- Fully electronic process and one of the fastest countries for incorporation to take place

Taxes

“Certainty? In this world nothing is certain but death and taxes.” – Benjamin Franklin

- Corporation Tax
- Value Added Tax (VAT)
- National Insurance Contributions (NICs) through the Pay As You Earn system (PAYE)

Corporation Tax

- Limited companies and some organisations are liable for Corporation Tax
- Following registration at Companies House, Her Majesty's Revenue & Customs (HMRC) will send an Introductory Pack to the registered address of the newly formed company
- The pack contains Corporation Tax forms and explanatory notes – including form CT41G(New company details), which needs to be completed and returned to the HMRC

Value Added Tax

- You may need to register for VAT, or you may be able to choose to register voluntarily, if you are doing any of the following kinds of business in the UK:
 - Supplying goods and services within the UK
 - Taking over a VAT-registered business from someone else
 - Supplying goods and services to the UK from other countries or vice versa
 - Current registration threshold for compulsory registration is generally £68,000 over the last 12 months

PAYE for Employers

- PAYE is the system that HMRC uses to collect Income Tax and National Insurance contributions (NICs) from employees' pay as they earn it.
- As an employer, you'll have to deduct tax and NICs from your employees' pay each pay period and pay Employer's NICs if they earn above a certain threshold. You pay these amounts to HMRC either monthly or quarterly.

Contractual Relationships

- Most food businesses need register all of their premises with their respective local authority at least 28 days prior to opening.
- A licence is required for:
 - Sale or supply of alcohol
 - Sale of hot food between 11pm – 5am
 - Sale of food from a stall or van on the street
 - Provision of entertainment, such as live or recorded music

Protecting Intellectual Property Rights

- The Intellectual Property Office
 - **Patents**
 - **Trade Marks**
 - **Copyrights**
 - **Designs**

Useful links & references

- Food Standards Agency
 - Booklet: “Starting up – your first steps to running a catering business”
- HM R&C’s website
 - <http://www.hmrc.gov.uk>
- Direct Gov
 - <http://www.direct.gov.uk>

Thank You

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