Legal Startup Checklist (UK)

Register. Protect. Launch Smart.

Starting a business in the UK is simpler than in many countries — but there are still a few critical legal steps to get right. This checklist walks you through the **essential setup steps** for starting a small business or startup in the UK, including legal registration, tax setup, and compliance.

⚠ *This is a guide, not formal legal advice. When in doubt, consult an accountant or solicitor.*

Legal Startup Checklist (UK)

1. Choose a Legal Structure

Most founders choose one of the following:

- **Sole Trader** – easiest to set up, ideal for freelancers or solopreneurs
- **Limited Company (Ltd)** – better for growth, liability protection, and investor confidence
- Compare structures

2. Register Your Business

- **Sole Trader:** Register with HMRC (no company registration needed)
- **Limited Company:** Register your business with Companies House
- Choose your company name, list directors, and provide a registered address
- You'll receive a Certificate of Incorporation

3. Register for Tax

- **Sole Traders** must register for **Self Assessment** with HMRC
  - Register here
- **Limited Companies** must register for **Corporation Tax** within 3 months of starting
  - Register here

Optional: Register for **VAT** if turnover exceeds £90,000/year (or voluntarily below that)

4. Set Up a Business Bank Account

Required for Ltd companies and strongly recommended for sole traders.

- Popular options: Tide, Monzo Business, Starling, Barclays, HSBC

5. Create Founders or Shareholders Agreement (if applicable)

If there are co-founders or shareholders, create an agreement covering:

- Equity splits
- Roles and responsibilities
- Decision-making
- Exit terms
- Vesting

6. Draft Core Legal Documents

- Terms & Conditions (for your website or service)
- Privacy Policy (required under UK GDPR)
- NDAs (non-disclosure agreements)
- Freelancer or Client Agreements
- Employment contracts (if hiring staff)

Tools: SeedLegals, Farillio, or hire a solicitor

7. Understand UK GDPR (Data Protection Law)

If you collect any personal data, you must comply with UK GDPR.

- Have a clear privacy policy
- Store data securely
- Allow users to request data deletion
- Register with the ICO if required: ico.org.uk

8. Get Business Insurance

Some are optional, others are legally required (e.g. if you have employees).

- Public Liability Insurance
- Employers' Liability Insurance (mandatory if you hire staff)
- Professional Indemnity Insurance (for services and advice)

9. Register Your Trademark (Optional)

Protect your brand name or logo by registering a trademark:

- Apply via the UK IPO

Quick Summary Table

Task	**Required?**	**Link / Notes**
Choose Legal Structure	☑	Sole Trader or Ltd Company
Register Business	☑	Companies House
Register for Tax	☑	HMRC – Self Assessment or Corporation Tax
Business Bank Account	☑	Tide, Starling, Monzo, etc.
Legal Agreements (Founders, Clients)	☑	Strongly advised if not solo
Website Legal Documents	☑	T&Cs + Privacy Policy under GDPR
GDPR Compliance	☑	ico.org.uk
Insurance	Depends	Required if hiring staff
Trademark	Optional	IPO UK