



**BUSINESS STARTER**  
MAKING BUSINESS EASY

THE FOUNDER'S DOWNLOAD · 2026 EDITION

# The Complete UK Business Setup Checklist

Every document, registration and decision —  
from idea to legally trading.

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**7**

STAGES TO LAUNCH

**65+**

DOCUMENTS COVERED

**£50**

MIN. SETUP COST

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## HOW TO USE THIS CHECKLIST

# Start at the top. Tick as you go.

This checklist breaks UK business setup into seven sequential stages — from your first identity check to landing your first paid invoice. Each stage builds on the one before, so working in order saves rework. Skip ahead if you've already completed earlier stages.

Some items only apply to specific business types. Where that's the case, the item is marked clearly. Items not relevant to you can be ignored.

Inside each stage you'll also find **Tips** highlighting the mistakes UK founders most often make at that point — and **Pro shortcuts** showing where Business Starter handles the work for you.

## THE SEVEN STAGES

- 01 Personal documents**  
ID, address, NI number, UTR, Government Gateway
- 02 Register your structure**  
Sole trader with HMRC, or limited company with Companies House
- 03 Set up money & tax**  
Business banking, accounting software, tax savings, VAT decision
- 04 Compliance**  
ICO, insurance, licences, privacy & terms documents
- 05 Brand & presence**  
Domain, email, website, Google Business Profile, socials
- 06 Commercial documents**  
Customer contracts, invoices, NDAs, bookkeeping
- 07 If hiring**  
Employer's liability insurance, PAYE, pension, contracts



## STAGE 01

**Personal Documents Every UK Founder Needs****PRO SHORTCUT**

Gather these once, scan them once, save them in a single folder. You'll use them repeatedly across HMRC, Companies House, your bank and your insurer.

**PROOF OF IDENTITY (ONE OF)**

- Current UK passport
- UK or EU photocard driving licence (current)
- National ID card (non-UK EU citizens)
- Biometric Residence Permit (non-UK residents with right to work)

**PROOF OF ADDRESS (DATED WITHIN 3 MONTHS)**

- Utility bill — gas, electricity or water (mobile phone bills don't count)
- Bank or credit card statement
- Council tax bill (annual is accepted)
- Recent signed tenancy agreement, or mortgage statement
- HMRC correspondence (Self Assessment confirmation, tax code letters)

**TAX AND DIGITAL IDENTITY**

- National Insurance number located  
*Format: AB 12 34 56 C. Check old payslips, P60s, or your HMRC app.*
- HMRC UTR located (if you have one — 10-digit number)  
*Only if you've been in Self Assessment before. HMRC will issue one when you register if not.*
- Government Gateway login created at gov.uk  
*The single most-used digital credential in UK business life.*

## STAGE 02

**Choose & Register Your Business Structure****IF SOLE TRADER (SIMPLEST SETUP)**

- Registered for Self Assessment at gov.uk
- UTR received from HMRC (arrives by post within 10 working days)
- Trading name chosen (optional — you can trade under your own name)
- Trade mark availability checked at the Intellectual Property Office

**DEADLINE**

Sole traders must register with HMRC by 5 October following the tax year they started trading. The UK tax year ends 5 April. So if you started in May 2026, you must register by 5 October 2027 — but earlier is always better.

**IF LIMITED COMPANY**

- Proposed company name checked on Companies House register
- Trade mark check completed at the Intellectual Property Office
- Registered office address confirmed (must be in the UK)
- Director details prepared (name, DOB, nationality, addresses, ID verification)
- Shareholder details prepared (name, address, share allocation, value paid)
- Persons with Significant Control (PSC) details prepared
- SIC code chosen  
*5-digit Standard Industrial Classification code. Up to 4 per company.*
- Memorandum and Articles of Association selected  
*Use Companies House Model Articles unless you have specific reason not to.*
- £50 paid to Companies House (online filing)
- Certificate of Incorporation received by email
- Companies House Authentication Code received by post and saved securely

**PRO SHORTCUT**

Business Starter handles every step of limited company formation — name check, registered office service, SIC code selection, filing with Companies House — usually within 24 hours. No paperwork required from you beyond a short form.

**STAGE 03****Set Up Money & Tax****BUSINESS BANKING**

- Photo ID and proof of address ready (from Stage 01)
- Certificate of Incorporation ready (limited companies)
- Trading description and estimated annual turnover prepared
- Business bank account application submitted  
*Digital banks (Tide, Starling, Mettle, Revolut) typically open same-day. Traditional banks 1–4 weeks.*
- Business bank account live and tested with a small transaction



## ACCOUNTING & TAX PREPARATION

- Accounting software set up  
*Xero, QuickBooks, FreeAgent (free with some bank accounts), or Sage.*
- Separate "tax" savings account opened  
*Move 25–30% of every payment received into this account from day one.*
- Bookkeeping process established (what gets logged when, by whom)
- First-year tax obligations understood (Self Assessment, Corporation Tax, NI)

## VAT — REGISTER IF ANY OF THESE APPLY

- Annual turnover will exceed £90,000 in any rolling 12 months (mandatory)
- Voluntary registration considered if selling mainly B2B
- VAT registration submitted via gov.uk if applicable
- Making Tax Digital (MTD) compatible software in place if VAT registered

### STAGE 04

## Compliance

## DATA PROTECTION

- ICO registration completed at ico.org.uk  
*Costs £40–£60/year. Mandatory for most businesses processing personal data — including contact form submissions.*

## INSURANCE

- Public Liability insurance in place (£100–£200/year typical)
- Professional Indemnity insurance (if you give advice or provide services)
- Product Liability insurance (if you make or sell physical products)
- Cyber insurance considered (£100–£300/year — increasingly essential)
- Employer's Liability Insurance arranged in advance if planning to hire  
*Legally required from day one of employment. Fines up to £2,500/day without it.*

## INDUSTRY-SPECIFIC LICENCES (IF APPLICABLE)

- Sector-specific registrations identified  
*Food (council Food Business Registration), CQC for healthcare, FCA for financial services, alcohol licences, CIS for construction, etc.*
- Each required licence applied for
- Certificates received and stored securely



## STAGE 05

**Brand & Online Presence****DIGITAL FOUNDATIONS**

- Domain name registered (.co.uk and/or .com)
- Professional business email set up  
*Google Workspace or Microsoft 365 — under £6/month. Using Gmail or Hotmail on invoices signals amateur.*
- Website launched (even a one-page v1)
- Google Business Profile created and verified  
*Highest-ROI free marketing for any local-relevant business.*

**REQUIRED LEGAL DOCUMENTS ON YOUR WEBSITE**

- Privacy Policy published (legally required if you collect any personal data)
- Cookies Notice with proper consent management
- Terms and Conditions of Sale (if you sell anything)
- Refund and Returns Policy (UK consumer law requires 14 days for online sales)
- Limited company details in footer  
*Full name, registration number, country, registered office.*

**SOCIAL PRESENCE (PICK THE PLATFORMS YOUR BUYERS ACTUALLY USE)**

- LinkedIn business page or founder profile updated (B2B services)
- Instagram business account (consumer products / lifestyle)
- Facebook business page (local services)
- TikTok business account (younger consumer audiences)

## STAGE 06

**Commercial Documents****CUSTOMER-FACING**

- Standard customer contract or Statement of Work drafted
- Invoice template created with all legally required information  
*Limited companies must show full company name, registration number, registered office and VAT number (if registered) on invoices.*
- Refund and dispute resolution process documented

**SUPPLIER AND PARTNER AGREEMENTS**

- Standard supplier terms agreed
- NDA template prepared for confidential conversations
- Freelancer / contractor agreement template (IR35-aware)



## INTERNAL GOVERNANCE (LIMITED COMPANIES, MULTI-SHAREHOLDER)

- Shareholder agreement in place if more than one shareholder
- Director Service Agreement for your own role
- Statutory registers maintained (members, directors, PSC)

## FINAL STEP

- First invoice issued  
*Even a small one. The first invoice clarifies bookkeeping, banking and process in ways nothing else does.*

### STAGE 07

## If You're Hiring

### IMPORTANT

Hiring shifts your business into a new regulatory category. Don't begin recruitment until the insurance, PAYE and pension foundations below are in place. Backdating any of them is significantly more expensive than getting them right first time.

## BEFORE RECRUITING

- Employer's Liability Insurance certificate in place (minimum £5m cover)
- PAYE registered with HMRC  
*Register up to 4 weeks before paying any employee for the first time.*
- Workplace pension scheme arranged  
*NEST, The People's Pension, Smart Pension are common low-cost options.*

## PER EMPLOYEE, BEFORE THEY START

- Signed written statement of employment particulars (legally required on or before day one)
- Right to work check completed and documented
- P45 from previous employer received (or starter checklist completed)
- National Insurance number and bank details collected
- Pension auto-enrolment paperwork issued
- Emergency contact details collected

## ONGOING RECORD-KEEPING

- PAYE records system in place (retain 3 years from end of tax year)
- Employment records process (retain for duration of employment + 6 years)
- Right to work check copies (retain 2 years after employment ends)



### YOU'VE REACHED THE END

If you've ticked every applicable box above, you are a fully-set-up UK business. Most founders never get this organised in their first 12 months — well done. The next page is for when you'd rather not do this all again the next time.



READY TO MAKE THIS EASY?

# We handle the paperwork. You build the business.

Business Starter is the all-in-one UK platform that registers your company, opens your business bank account, sets up your website, handles ICO and tax registrations, and gives you direct access to qualified UK advisers when you need them.

Most founders launch with us in under 7 days.

**REGISTER** — Limited company set up with Companies House — usually within 24 hours.

**BANK** — Introductions to leading UK business banks. Fast-tracked applications.

**ADVICE** — Direct access to qualified finance and legal specialists on subscription.

**GET STARTED** →

[businessstarter.org/business-creator](https://businessstarter.org/business-creator)

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*For information only. Not legal, tax or financial advice.*

*Verify all current figures and rules at [gov.uk](https://gov.uk) before relying on them.*