

International UK entry

Pre-flight checklist

1 Who is making the UK investment?

- Which company is seeking to make the investment in the UK? Is it an existing company or a new company set-up specifically for the purpose?
- If an existing company is being used where is that company incorporated where?
- If a new company is to be set-up specifically for the purpose of the UK investment, is the new company intended to be incorporated in the UK or elsewhere?

2 Existing & future group structure

- Who ultimately owns the existing business?
- Does the Group have any other foreign investments outside its domestic market? If so, in which countries are those foreign investments?
- What is the relative size of those foreign investments compared to the domestic business?
- Is the UK investment seen as the first step into Europe?
- If further expansion into Europe is contemplated, do you have a timescale on those plans?
- Do you plan for the UK to head up the European operations or do you anticipate the European headquarters to be established elsewhere? If so, where?
- Do you anticipate expanding beyond Europe through the UK perhaps to the Middle East and Africa? If so, do you have any timescales for those plans?

3 Current business activities

- Do you do business with people in the UK already (e.g. customers or suppliers)? If so, how extensive are those existing relationships?
- Do you do business with people in Europe already (e.g. customers or suppliers)? If so, how extensive are those existing relationships?
- Do you do business already in any areas of the Middle East or Africa?



4 Plans for the UK business



- Can you supply a high-level outline of the business strategy for the UK investment?
- What actual role will be performed in the UK?
- How will the business operate?
- Who will be the main suppliers to the UK business?
- Who will be the main customers of the UK business?

5 Management team



- Which members of senior management will have responsibility for the UK? Will that individual or those individuals move to the UK to become resident there? If so, where are they currently tax resident?
- Do you expect to hire a management team locally in the UK? If so, how many people do you expect to have in that management team over what timescale and what roles will they fulfil?
- Do you expect any of the team to have to perform significant amounts of their duties in more than one country?

6 Strategic versus day-to-day control



- Who will be 'in charge' of the strategy for the UK business? Will the head office 'calling the shots' with the UK following or will the UK team be putting forward a strategy based on understood Group goals which is presented for approval by head office?
- Who will be in charge of day-to-day management of the UK business?



7 Funding plans

- How do you expect the UK business to be funded? Will the finance come from within the Group or will it be provided externally by commercial banks or other financial institutions?
- In which countries will the funders be based?
- What do you anticipate will be the mixture between debt and equity in the UK business? How much do you anticipate that mixture changing over time?

8 Repatriation of profits

- What plans do you have for the repatriation of profits back to the home market? Are you anticipating a return by way of interest on loans or by way of dividends from profits? What timescales are expected?
- What constraints or demands are placed on that repatriation strategy by the Group's or the owners' commercial (including tax) position in the home market?

9 Intellectual property

- What intellectual property, if any, will the UK business be using from other group companies?
- Will the UK business generate any intellectual property of its own? If so, what will that comprise of?
- Will the UK business need to undertake any research?
- What development work will the UK business need to undertake?

10 Growth plans

- Does the UK business have plans to grow by acquisitions or by organic growth?

11 Stock option arrangements

- Do the staff in the home market have any stock options? Would you want to extend such arrangements to some or all of the UK-based staff?

12 Premises

- What will the UK business require by way of premises in the UK? Do you anticipate the UK business using leased premises or its own premises?
- Will the UK business require any premises outside of the UK?

13 Plant & machinery requirements

- What amounts and types of plant & machinery will the UK business need to acquire?

14 Importing & exporting

- Will the UK business be importing any goods from outside of the UK? Will any such imports be coming from Member States within the EU or from countries outside of the EU?
- Will the UK business be importing any services from outside of the UK (e.g. management services from Group companies or other professional services)? Will any such services be coming from Member States within the EU or from countries outside of the EU?
- Will the UK business be making sales of goods outside of the UK? Will any such exports be going to Member States within the EU or to countries outside of the EU?
- Will the UK business be making supplies of services outside of the UK? Will any such supplies be going to Member States within the EU or to countries outside of the EU?
- Will the UK business be paying any import duties on goods received from outside of the EU?

15 Brexit-proofing

- In which country/countries will your stock be located?
- Are you aware of any possible tariffs on the sale and/or purchase of your goods/services to and from the UK?
- Do you intend to sell goods or services to private individuals?



16 Payroll

- How large will the headcount be for the UK business?
- Can you provide a rough breakdown of the likely workforce composition and pay levels?
- What do you anticipate will be the mixture of fixed and variable pay across the workforce?
- Who will be operating the payroll for the UK business?

17 Finance team

- What resource will be in the finance team of the UK business from the outset? What plans are there for that resource to expand over time?

18 Advice to date

- What advice to date has been received from the Group's accountants and advisers?

19 End-game

- What is the anticipated or desired end-game for the UK business?

