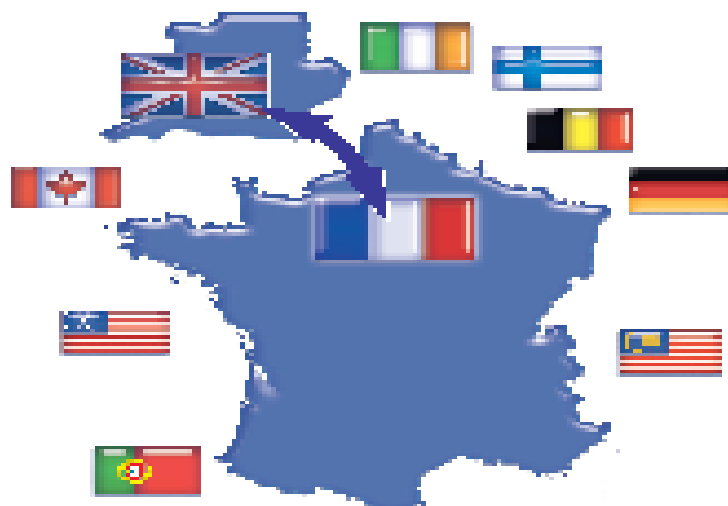




To serve business expansion internationally
France & UK



Bi-lingual Company Agents
Tax & social Expertise
Management accounts Franco-British formats
Payroll agents & human Resources
Domiciliation

French contact - Tél. : 00 33 (0)1 34 05 07 71
Uk contact - Phone : 00 44 (0)207 712 16 93
www.sedigroup.com



UK FRANCE Expertise 14 years

Entrepreneurs are redirected to us via :

**Franco-British Chamber of Commerce
Chambers of Commerce CCI
Chartered Accounting practices
Lawyers Practices
International Departments of Banks
Insurance brokers**

To complete our expertise :

**French & UK Chartered Accountants
Insurance brokers
Lawyers**



www.sedigroup.com

Overview of France : Key datas



Overview of France : Key datas

	Population	Kms from Paris (miles)	By Car	By train	By Air
PARIS (suburbs not included)	2,200,000				
MARSEILLE (Nice)	840,000	777 km (483)	7:30 hour	3 hours	1:20 hours
LYON (Grenoble)	473,000	467 km (290)	4:40 hour	2 hours	1:10 hours
TOULOUSE (Bordeaux)	438,000	679 km (422)	6:30 hour	5 hours	1:10 hours
LILLE	226,014	221 km (137)	2:20 hour	1 hour	00:53 hour

France Household debt ratio : 74 (2008)

UK Household debt ratio : 145 (2008)



France : NEW CHALLENGES !

Services to Individuals / Services à la personne (CESU)

(Gardening, cleaning/ironing, baby sitting or Child Care, Assistance to elderlies, Assistance to disabled people, absences due to holidays...).

+60% by 2040 of dependent individuals !

130 000 jobs created in 2006 – keeps increasing by 3% each year !

Bio / Environmentally friendly equipments

Energy savings solutions

Heating (wood, condensation, ethanol ...)

Energy generated by the sun (photovoltaïque panels), the wind (Eolienne)

Bio Food

Insulation



France : NEW CHALLENGES !

Educational programs

Promoting technical studies & insertion into professional schemes (long term internships, transfer of competence

Re-writing programs

Reducing number of teachers & improving knowledge (english)

Improving the level of the « BAC » (= E-Level)

Disabled people : Integration into a working life (compulsory to employ disabled people for companies over 20 employees)

Employment of senior professionals (means over 55 years old)

Contributing longer to the pension scheme – By 2050, population over 75 years old will reach 12 millions ! 18% of the population !



France : NEW CHALLENGES !

Associations : Non profitable organizations

*represent 1 745 000ees in 2008
on average 9ees per associations
keeps increasing each year ...*

Do It Yourself

*Leroy Merlin , Castorama, Weldom
Other private organizations ...*



France : NEW CHALLENGES !

« *LE GRAND EMPRUNT* »

<i>Research & Developpement & Education</i>	<i>16 000 millions</i>
<i>Innovative Middle Sized Companies</i>	<i>2 000 millions</i>
<i>Promoting business on internet</i>	<i>4 000 millions</i>
<i>Biotechnologies</i>	<i>2 000 millions</i>
<i>Improving Towns & Equipments</i>	<i>4 500 Millions</i>
<i>Renewable energies</i>	<i>3 500 Millions</i>
<i>Development of transports</i>	<i>3 000 Millions</i>



France : TAX BARGAINS

IFA Impôt Forfaitaire Annuel :

2005 : 0% if TU inf 76 000 Euros

2007 : 0% if TU inf 400 000 Euros

2009 : 0% if TU inf 1 500 000 Euros

2010 : 0% if TU inf 15 000 000 Euros

LOI FILLON : 17.01.2003 implemented 01.07.2005

Reduction of employer contributions on low salaries - see example

LOI TEPA : 21.08.2007 / 01.10.2007

salary non taxable on overtime



France : TAX BARGAINS

LME 04.08.2008

LOI de MODERNISATION DE L'ECONOMIE

To protect the property of the Company Director

To limit delays of payments by Law (*60 days or compulsory to negotiate & follow a written procedure*)

.../...

TAXE PROFESSIONNELLE ?

New calculations BUT not cancellation !



Entering the French market ...



Entering the French market ...

If full commercial cycle : stable establishment required

➤ **Branch**

➤ **Subsidiary**

Recruitment procedure :

1 - Incorporating the company - Obtaining the SIRET Number

2 - Drafting the employment contract - French Law applies

(detachment * / company schemes *)

3 - Completing and sending the DUE to your local URSSAF (P45 /P46)

4 - Monthly french payroll + net salary payment

5 - Social contributions (ee+er) to be declared and paid each quarter

6 - Annual returns to be issued in January for the tax year jan / Dec



Entering the French market ...

If partial commercial cycle : NO Stable establishment !

➤ **Commercial agent / sole trader / Independant / Agent commercial / VRP**

Entering the French market ...

➤ **RFE = Representant de Firme Etrangère / sole representative**

Recruitment procedure : RFE

1 - Drafting the employment contract - French Law applies (schemes*)

2 - To register your UK company with URSSAF du Bas Rhin - SIRET

3 - Appointing an agent - specific mandate

4 - Monthly french payroll + net salary payment

5 - Social contributions (ee+er) to be declared and paid each quarter / agent

6 - Annual returns to be issued in January for the tax year jan / Dec



Entering the French market ...

Sole Trader / Agent / Auto-entrepreneur

*IR35 ...INTERMEDIARIES LEGISLATION – Working
through an intermediary, such as a Personal
Service Company.*

www.hmrc.gov.uk



www.sedigroup.com



How to set up your budget ? CASE STUDY

KEY ISSUES TO CONSIDER :

Entering the French market ...

- Incorporation of your company & future amendments**
- Accounts & Financial statements (Chart of accounts*)**
- Lease contract : Bail preciaire, Bail commercial,
Domiciliation**
- Payroll & social contributions**
- Taxes : IFA, Corporation Tax, TP, FPC, TA, TVTS**
- Example of prices : Ile de France Area**





Company Incorporation & Filings

Incorporation costs :

CFE : around 40 euros

Greffe / local companies House : about 200 euros

Legal advert : about 200 euros

Yearly filings : accounts about 40/50 euros per year

**+ FEES due to your Company agent / Solicitor /
Chartered Accountant for drafting of legal
Minutes / Memo & Articles**



www.sedigroup.com



Accounts & Financial Statements

Accounts :

Recruiting or appointing an accountant

French accounting rules : Chart of Accounts , Depreciation rules , what is deductible or not on a tax point of view ?

Needs for management reports or not : French or English format

VAT returns : every quarter from date of signature of your Memo & Articles

Financial Statements :

Appointing a french Chartered Accountant

to be finalised by the end of the 4th months after ARD – contact your local tax office for a precise date





Registered Address & premises

Domiciliation : Registered address only or Commercial address. The legal Director « Gerant » can only use his Home address for a maximum of 5 years – specific conditions apply

Bail preciaire : Short term contract max 2 years – Renewable once and then Bail 3/6/9 – For an example of contract, please contact us

« Bail 3/6/9 : Bail commercial » - 9 years maximum – renewable. You can only put an end to the lease contract every three years. Commercial property of the premises.





Payroll & Social contributions

Payroll :

Monthly basis

Net salary to be transferred between the end of the month and 10 days afterwards – to be agreed contractually.

Social contributions :

•Employee contributions : around 30 / 35 % of GROSS SALARY depending upon status & additional company benefits. Excludes Income Tax (no PAYE in France)

•Employer contributions : around 30 / 45 % of GROSS SALARY depending upon status & additional company benefits .



France : RAISING FINANCE

AFII : Agence Française pour les Investissements Internationaux www.invest-in-france.org

Regional Development Agencies www.cner-france.com

ANVAR Agence Nationale de Valorisation de la Recherche & OSEO www.oseo.fr

« ENTREPRENDRE » network www.reseau-entreprendre.org



www.sedigroup.com



Taxes : stable establishment ONLY

● **Formation Professionnelle**
Continue : « FPC »

● **TVTS /TVS : Tax on Company
cars**

**VAT Returns : Every quarter /
Every month**





PLAY THE GAME & BE PREPARED

BE PREPARED TO PLAY THE GAME



www.sedigroup.com