

Checklist of legal issues

Property

- Is the property in the name of the company?
- If leasehold, is there a written lease in place?
- Where required, is the lease stamped and registered at the land registry?
- Are there any other occupiers/licencees at the company premises?

Employment

- Do employees have written employment contracts (and a section 1 ERA 1996 statement)
- Does the company have a disciplinary and grievance policy?

Contracts/terms

- Sales terms – does the company have any? Do they need to cover goods, services or both?
- Purchase terms - does the company have any? Do they cover goods, services or both?
- Incorporation of standard terms – will the company's terms apply?
- Long term agreements – are they clear as to duration, termination, payments, main obligations and any limitations or exclusions of liability?

Intellectual property

- Is relevant IP vested in the company?
- If created by third parties, is the IP licensed or assigned to the company?
- What IP is there?
- Consider protection of IP by registration
- Consider protection of IP by maintaining confidentiality
- Does the company have restrictive covenants with employees and contractors?
- Consider putting in place NDAs with suppliers and customers
- Are contracts in place with key consultants and do those address IP ownership?

Shares in the company

- Have share issues and transfers been properly documented?
- Are returns to Companies House up to date?
- Is the register of members up to date?
- Are there share transfer restrictions in the articles?
- Is there a shareholders' agreement?

Data

- Has the company mapped personal data flows in and out?
- Does the company process sensitive personal data?
- Does the company need to register with the ICO?
- Does the company have an (up to date) external data privacy notice?
- Does the company have an (up to date) employee privacy notice?
- Does the company keep a record of processing, a record of data breaches, and a record of consents?
- Does the company have a policy for dealing with subject access requests?
- Does the company transfer personal data outside the UK / EU?
- Does the company use third party processors? If so, does it have appropriate data processing agreements in place?
- If the company relies on legitimate interest as a basis of processing, has it done an LIA?
- Does the company require and have in place any DPIAs?

Website

- Does the company website provide the company name, address, contact details, company registration number, relevant supervisory authority (if any), VAT number (if any), registered office, and any other specific information required by its sector or governance?
- Does the company have website terms of use and, if it uses cookies, a cookies policy?

While this checklist mainly applies to a private company limited by shares, many of the questions also apply to companies limited by guarantee or to other corporate entities, such as charitable incorporated organisations.

To find out more and learn how we can help your business grow, please contact Alex Craig.

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