



STARTING UP IN BUSINESS...

We know exactly what it's like to set up in business after all Elsby & Co started from a back-bedroom in 1993. We therefore feel we are in a very good position to offer some practical "Tips & Advice" if you are thinking of setting up your own business...

IT MAY BE OBVIOUS, BUT ARE YOU GOING TO BE DOING SOMETHING YOU ARE GOOD AT?

Have you thought about your own personal strengths and weaknesses? Will you be able to manage all aspects of your business or can you recognise your weaknesses and engage the right people to help you. All too often we see business owners getting "bogged-down" in their paperwork, whereas their time could be much better spent on actually running the business and employing a bookkeeper.

We also see clients who are very, very good at making their product but they struggle to sell their product / service. Unless you can sell or get someone to help you, your business may not survive.

DO YOU HAVE A MARKET FOR YOUR PRODUCT / SERVICE?

Are you buying a franchise where you get help with marketing or is this a skill you are going

to have to learn? Be prepared and research your market. Marketing need not cost the earth but it does have to be effective. One very important aspect is to get your pricing right.

DO YOU HAVE FINANCE BEHIND YOU?

It is very rare for a business to be able to start on a shoestring. Prepare a business plan and work out your realistic cash flow needs. Business plans do not have to be complicated - just be honest with yourself! If you need to borrow to fund your business, don't forget to include these borrowing costs into your plan.

Are you going to be doing something you are good at?

Do you have a market for your product / service?

Do you have finance behind you?

Limited Company or Sole Trader?

Keeping business records - what do I need to do?

LIMITED COMPANY OR SOLE TRADER?

It is very important that you take advice on this before you start in business since it has

all sorts of practical implications, not least, how you pay yourself!

Be aware of the legal requirements as regards letterheads, business name, VAT registration and PAYE. Limited liability can be very important if there is any risk of building up liabilities you can't pay. You don't have to risk your home.

KEEPING BUSINESS RECORDS

You have a responsibility to keep accurate records of your income and expenditure. These records are used as a basis to prepare your self-assessment / self-employment part of your tax return if you are a sole trader or statutory accounts if you are a limited company.

It is vital that you keep business and personal finances separate. We can show you how to keep your books, either using excel spreadsheets or more common nowadays via an online bookkeeping package, which allows you to have financial information at your fingertips. Or, we can introduce you to a bookkeeper if paperwork really is not your "thing"!

We look forward so you can move forward...