





Once the idea is in place don't rush  
 Try to get some experience in your field - even if it means working for free  
 Find out about your competitors and your target market  
 Learn about failures - what did they do wrong  
 Write a business plan  
 Be prepared to nurture your business - don't expect it to make money from day 1  
 Decide on a company structure



A business plan will be required by lots of people  
 Spend time on it to get it right  
 Lots of help online or from mentors  
 Go through slide

- Summary
- Who are you?
- What are you selling?
- Who are your customers?
- Where is your market?
- Market research
- Marketing
- Competition and comparison
- USP
- Logistics
- Costs/Pricing
- Financial forecasts
- Back up plan



For 18 - 30 year olds  
 Enterprise programme  
 Free training and mentoring



Princes trust was set up to help young entrepreneurs  
 There maybe a grant available  
 Will certainly be help  
 Find out more online



Enterprise programme  
 Delivered in colleges nation-wide  
 Run in conjunction with businesses



Peter Jones Enterprise (the tall guy off of Dragons Den) gives help to people through local colleges. It works in conjunction with local businesses so lots of great information.  
 Find out more online or at a local college

 **Getting Help**

- Government backed
- Assigned mentor
- Get up to £1,274 over 26 weeks
- Government backed startup loan from £500 to £25,000
- Fixed interest rate of 6%



Enterprise allowance is financial support for new startups. It is a government backed scheme which assigns a mentor (very useful) and relatively low cost startup loan.

 **Getting Help**

- Business manager
- Experienced
- Overdrafts
- Loans



Your bank could be a great source of information and experience. They could help write a business plan

 **Getting Help**

- Friends and family will have your back
- Great source of experience
- Cheap funding
- Cheap casual help



Don't be afraid to ask family and friends for their advice. You may find that they have some really great experience. They may be willing to let you have a cheap or even free loan. They will also be a source of cheap (free!) casual help too.

 **Getting Finance**

- Bootstrapping
- Friends and family
- Grants
- Enterprise agencies
- Micro loans

Ways to get finance  
 Bootstrapping means financing the business from saving or selling stuff yourself  
 Grants maybe available for your business - check online - especially government websites.  
 Enterprise agencies may be prepared to help - check online  
 Micro loans are small amounts of money normally with quite low interest rates.



## Structure

	What Happens To The Profits?
<b>Sole Trader</b>	Keep them as part of your income and pay tax accordingly
<b>Partnership</b>	Share them with each partner paying their share of tax
<b>Limited Company</b>	Owned by the company - 20% tax on profits - Dividends to share holders

Choosing the structure of the business  
This is what happens to profits  
Structure can be flexible - you can change from one to another.



## Structure

	Do I have to pay VAT?
<b>Sole Trader</b>	Yes - if the turnover is more than £85,000
<b>Partnership</b>	Yes - if the turnover is more than £85,000
<b>Limited Company</b>	Yes - if the turnover is more than £85,000

Company structure has no bearing on VAT registration.



## Structure

	Do I have to register the company?
<b>Sole Trader</b>	With HMRC as sole trader
<b>Partnership</b>	With HMRC as partnership
<b>Limited Company</b>	With companies house and with HMRC

Whatever the structure you choose it will need to be registered with HMRC.  
It can be changed



## Structure

	How are accounts managed?
<b>Sole Trader</b>	By yourself or accountant through self assessment
<b>Partnership</b>	By partners or accountant through self assessments
<b>Limited Company</b>	Generally through accountant. Returns need to be made quarterly

Accountants will cost money  
Cheapest will be about £500 for the year for a small sole trader  
Might be worth paying someone to find out how to do it yourself.  
Larger the company the more accounts



## Structure

	What are the benefits?
<b>Sole Trader</b>	Very simple. Your decisions. Your profits
<b>Partnership</b>	Mutual support. Complimentary skills. Share all profits.
<b>Limited Company</b>	Not total liability. Corporation tax is only 20%. Offset many costs.

Benefits of each structure  
Not a comprehensive list



## Structure

	What are the drawbacks?
<b>Sole Trader</b>	Total liability Could be paying 40% tax on profits
<b>Partnership</b>	Total liability Could be paying 40% tax on profits
<b>Limited Company</b>	All decisions have to be agreed. Lots of deadlines to meet. Staff care.

Drawbacks of each structure  
Not a comprehensive list

Could show a film from the website here is time allows

### **Test Knowledge**

Kahoot! Quiz on the website

### **Plenary**

Students to think of a business idea and write a business plan.