

Top 10 most frequently asked questions about starting your own business

1. I want to set up my own business how can Business Link help?

Research proves that companies who access external advice when starting up survive in greater numbers and report more growth in their first few years of trading.

Accessing support through the **Business Link Start Up Offer** increases your chance of business success.

You can't afford to miss out on the advice specifically designed for those starting out in business. And what's even better - most of it is FREE of charge. Business Link can provide **FREE** access to the following:

- One to one advice arranged to fit your needs
- Online start up diagnostics and planning tools
- Structured training workshops
- Mentoring support sessions

To take advantage of the Business Link Start Up Offer contact our Client Contact Centre by calling **0116 2492972** or alternatively you can email info@skillsforenterprise.co.uk.

2. Is there any funding available for.....?

For many new businesses sourcing the right type of finance is of paramount importance. Often companies cannot begin to operate fully until they have some form of financial backing.

There are a number of different ways in which you can apply for funding and investment, it's just finding the right one for your business.

GRANTnet is a straightforward free to use service that can help you to identify suitable funding for your activity or project.

It allows community and voluntary groups, sports and other clubs, schools, social enterprises and small businesses to search across a huge range of funding sources.

Visit the GRANTnet website to search for grants and funding.

<http://www.grantnet.org.uk>

3. My business has started trading, what are my responsibilities regarding Income Tax and National Insurance contributions?

PAYE (Pay As You Earn) is the HM Revenue & Customs (HMRC) system for collecting income tax from the pay of employees, including directors, as they earn it.

As an employer, you need to deduct income tax and National Insurance contributions (NICs) from your employees' pay and submit the deductions to HMRC.

You can order a number of helpful guides from the HM Revenue & Customs (HMRC) Employers Orderline on Tel 08457 646 646. You can also:

- download the employer's further guide to PAYE (Pay As You Earn) and National Insurance contributions (NICs) from the HMRC website (PDF) - <http://www.hmrc.gov.uk/guidance/cwg2.pdf>
- download a step-by-step guide to PAYE from the HMRC website (PDF) - <http://www.hmrc.gov.uk/helpsheets/e13.pdf>
- download a catalogue of leaflets and booklets from the HMRC website (PDF) - <http://www.hmrc.gov.uk/leaflets/irlist.pdf>, which explain the basics of PAYE and NICs, and include brief details on working out how much to deduct from your employees' pay.

Further support is available through the HMRC Advice Team who will explain how to register to pay your Tax and National Insurance and what records you need to keep through a free workshop.

To book a place call:

0845 6032691 or visit the website: www.hmrc.gov.uk/bst

4. What is self assessment?

Self Assessment involves completing an online or paper tax return in order to tell HM Revenue & Customs (HMRC) about your income and capital gains (profits on the sale of certain assets), or to claim tax allowances or reliefs against your tax bill. HMRC uses the figures on the tax return to work out your tax bill, or you can work it out yourself.

There are different types of tax return and different supplementary pages you may need to complete depending on your circumstances. There are also

deadlines for sending your tax return in - and penalties and interest charges if it arrives late.

There is an online guide available at

<http://www.businesslink.gov.uk/bdotg/action/printguide?topicId=1081526062&site=140>

Further support is available through the HMRC Advice Team who will show you how to complete the self employed/partnership pages of the self assessment return, to help you get it right the first time through a free workshop.

To book a place call:

0845 6032691 or visit the website: www.hmrc.gov.uk/bst

5. How do I set up a Limited Company?

Before your business can begin operating as a limited company, it has to be registered with the Registrar of Companies - Companies House. Incorporation is the process by which a new or existing business is converted into a corporate body.

You can handle the registration process yourself, but it is a good idea to seek professional advice before you do so to ensure that incorporation is right for you. A company formation agent, solicitor, accountant or chartered secretary can carry out the process for you, for a fee, as well as offer advice.

The Companies Act 2006, which comes into force in stages from January 2007 to October 2009, introduces a number of changes that affect both directors and shareholders of limited companies.

There is an online guide available at

<http://www.businesslink.gov.uk/bdotg/action/printguide?topicId=1073865436&site=140>

Further support is available through the HMRC Advice Team who will explain the obligations that go with forming a private Limited Company through a free workshop.

To book a place call:

0845 6032691 or visit the website: www.hmrc.gov.uk/bst

6. Do I need to register for VAT?

Just answer a simple series of questions with yes/no answers using an online tool available at:

<http://www.businesslink.gov.uk/bdotg/action/logicToolStart?type=BLTTOOL&itemId=1077722988&site=140>

Most people will be able to find out the answer in less than five minutes.

If you do need to register, you'll be given links to the forms you need to fill in on the HM Revenue & Customs (HMRC) website. At any step along the way you can correct an earlier answer.

If you already know you need to register, answering these questions will help you to find the correct forms for your particular business circumstances.

If you already know which forms you need, you can download them from the HMRC website using the links on the right hand side of this screen.

Further support is available through the HMRC Advice Team who will provide basic guidance and advice for businesses newly registered or considering registration through a free workshop.

To book a place call:

0845 6032691 or visit the website: www.hmrc.gov.uk/bst

7. How do I attract customers to my business?

Getting your sales and marketing right is crucial to the success of your business. Creating a marketing strategy will help you identify potential customers and target them with appropriate products or services. Using the correct sales techniques will help you turn interest in your product or service into customer orders.

An online guide provides an introduction to practical advice and information on establishing successful sales and marketing methods and policies - from pricing and advertising to sales techniques and a profitable Internet presence.

<http://www.businesslink.gov.uk/bdotg/action/printguide?topicId=1074299808&site=140>

Further support is available through the Business Link Start Up Advice Team who will provide basic guidance and advice covering Marketing and Sales through a free workshop.

To book a place call:

0116 2492972 or alternatively you can email info@skillsforenterprise.co.uk.

8. How can I find out who my customers are and what they want?

Market research can help you understand your customers' wants, needs, tastes and spending habits.

Have a look at the top ten tips for effective market research:

<http://www.businesslink.gov.uk/bdotg/action/layer?topicId=5001282722&site=140>

9. Do I need to take out any specialist insurance?

There are many different types of business insurance available - but which ones do you need to have, which should you have, and which don't you need at all?

An online tool helps you to answer these questions and assess what types of insurance you need. It will help you decide what cover you must have, and what cover it is advisable to have.

It will eliminate insurance types that do not apply to your business circumstances.

<http://www.businesslink.gov.uk/bdotg/action/logicToolStart?type=BLTTOOL&itemId=1077722976&site=140>

10.I find it difficult organising what tasks need to be done.....

If you're committed to starting, or have already started setting up a business, the Business start-up organiser can help make your business a reality. The Business link start-up organiser starts with a series of questions about your business / business idea and then produces a personalised list of step-by-step tasks to complete. Contained within each of the tasks is access to a library of resources to help you complete each task together with an option to register and save your personalised progress plan.

<http://www.businesslink.gov.uk/bdotg/action/getStarted?site=140>

This document has been produced using information contained within the Business Link and HMRC websites:

www.businesslink.gov.uk/eastmidlands

www.hmrc.gov.uk