# **Formalities**

Now that you are sure you have a viable business, it's time to get some of the formalities in place.



### 1. Legalities:

- Decide on the legal structure (Sole Trader/Partnership; Limited Company) that would be most appropriate and get it set up.
- Get a business licence so that you are legally able to trade.
- Apply for any other licences your business might need to trade properly.
- If you are employing people, register with ITIS and Social Security.
- Register with the Office of the Information Commissioner if you will be holding personal data.

#### 2. Finances:

- · Get a business bank account.
- Secure funding if your business requires it.
- Set up your accounts so you can track how much money you are getting and spending.
- Decide on the book-keeping system you will use so you can invoice clients or take payments from day 1.

## 3. Property and people:

- If necessary, find appropriate premises to operate from but don't over commit to them.
- If you need them, recruit people with complimentary skills to yours and/or give them the training they need.

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#### 4. Personal:

agree how to pay your income tax.
<ul> <li>Speak to Social Security about your individual circumstances and how much social security contribution you will need to pay in your first years.</li> </ul>

• Speak to the Tax department about your intention to set up in business so you can

# At the end of this step you should be able to say:

- ✓ My business is set up, registered, and I can trade legally.
- ✓ I know where my business is going to be based and the practicalities of operating.
- I have set up a way to manage my finances so I can take or invoice income, make payments, and properly record all the transactions.