

Small Business setup and potential considerations

Business Plan

Westpac have a great template to help you get started; <https://www.westpac.com.au/business-banking/business-help/starting-a-business/how-to-write-a-business-plan/>

Structure Considerations – Primary options include;

- Sole Trader
- Family or Other Trust
- Company
- Partnership

Primary issues to consider with each; tax implications; legal liability; asset protection; long term intention for the business.

Business Name – Do you require a registered business name? Anything other than your First & Last Name (if trading as a sole trader), will need to be registered through the Australian Business Register (ABR) this process is reviewed & renewed on either a 12 month, or 3 year rotation.

Trademark or any other IP implications of your business name, or associated logo? A specialized area to perhaps engage with a marketing or legal consultant.

ABN & TFN Application –If you are operating as a sole trader, as mentioned above you will only need to apply for an Australian Business Number and link that to your existing personal Tax File Number. If you operate under a different structure (trust, partnership or company), you will need a separate TFN, and ABN for the business entity.

Bank Accounts –It is strongly advised to keep your personal accounts separate to your business accounts. If you have established a new business entity (partnership, trust or company) you will need a business banking account in the name of the entity.

Finance / Legal;

- Will you have Investors?
- Costs of establishment and costs to maintain business
- Potential transition of business structure upon growth
- Any changes to ownership and or management if required
- Engage a Financial advisor / Accountant
- Accounting software for data, payroll, invoicing, etc.
- Advertising / Website
- Do you require finance? Create a business banker relationship

Registrations;

- Australian Business Register (as mentioned above)
- Australian Securities & Investments Commission (ASIC) (for corporate structure)

- Insurance - Consider talking to a Broker about the right protection for you and your business
- Income protection, key person risk insurance
- Business interruption, business operations, cyber risk, director's liability.
- You may be required to hold a licence to operate your business
- You may be required to register for GST (turnover over \$75k pa)
 - Cash basis
 - Non- cash basis

IT Support;

- Accounting software for data, payroll, invoicing, etc.
- Support; seek a relationship with a firm that can trouble-shoot or even come on site to assist with any issues that can and will arise
- Reliable and efficient hardware (as required)
- Internet provider
- Ensure appropriate redundancies for your data
- Software back up plans if applicable
- Cloud storage
- Security

Staffing? Have you considered the following;

- PAYG withholding registration with the ATO
- Employment contracts
- Fair work statements
- TFN declarations
- Super choice forms
- Single Touch Payroll reporting (compliant software)
- Register for RTWSA, Workcover, Work Safe VIC (or state equivalent)