

How do I start a business?



MCMAHON OSBORNE
GROUP

Level 1 Unit 9 57-59 Horne Street
SUNBURY 3429

T: (03) 9744 7144 | E: admin@mcmahonosborne.com.au

W: www.mcmahonosborne.com.au

Established in 1988, The McMahon Osborne Group is committed to providing you with 'easy to understand advice that works'. Our team are committed to partnering with you in a way that goes beyond a traditional accounting service, as we provide a range of services which encompasses every aspect of your financial life.

Our core purpose is to provide our clients with lasting financial security, with a balanced lifestyle through education. In order to achieve this we 'live and breath' our core values;

- Honesty - we tell it how it is with respect
- Congruency - we practice what we teach
- Commitment - we do whatever it takes
- Balance - we care and consider for all stakeholders
- Passion - we have a burning desire for excellence

Our team of accounting professionals, both business and personal, superannuation specialists, as well as property advisors will provide you with the highest level of professional care and service. Our company invests heavily in the personal development of our team, providing them with the technical, managerial and communication skills required to grow and develop as professionals.

It's our people, the knowledge they bring, their commitment and the trusting relationships we develop with you, that make McMahon Osborne Group your natural choice.

At McMahon Osborne Group we are dedicated into developing our clients into informed decision makers. We put you in control, first listening, then working with you to design unique solutions that help deliver maximum growth and wealth potential.

We offer regular educational seminars and events, to assist in educating you and your personnel in meeting the constant demands of business and taxation in general.

-The Team at McMahon Osborne Group

Are you thinking about starting a new business? Setting up your own business is an exciting prospect and getting it right from the beginning is vital for success. Operating a business is not just about working for yourself, it's also about having the necessary management skills, industry expertise, technical skills, finance and of course a long term vision to grow and succeed. Before you launch into the process of setting up your own business, we have listed below some steps you may wish to consider.



Visit: <https://vimeo.com/186195584> to view our video

Is it right for you?

It takes more than just a good idea to start a business. Commitment and dedication are also key factors because getting your idea off the ground can often involve long hours and many sacrifices – well worth it if you are passionate about your business. Do you have the discipline and motivation to keep going when times are tough?

You need to have good business management skills to keep the business running – especially since, according to the Australian Bureau of Statistics, many new enterprises fail within their first five years of operation!

Research your market.

Make sure you have a solid concept for the business, not just a vague idea. Think about whether your business will be feasible. Is there a real need for your product or service? Who are your customers? Who are your competitors? Are you providing a point of difference?

Initial market research to answer these questions will help you work out if your plan will succeed. Ongoing market research will ensure you keep in touch with the latest trends, industry changes and the economic conditions – all factors that will impact the success of your business.

Adequate finance.

Take the time to count the cost. Financial planning and budgeting are essential for any business. You may be leaving behind a secure pay packet and company benefits such as superannuation and paid leave. Your personal assets might also be at risk. Budgets are effectively your business plans expressed in financial terms. Remember, in the early months of operation, you will need sufficient cash to carry you through until your business begins to generate a profit.

Choosing your business structures.

The four main business structures commonly used by small businesses in Australia are;

Sole Trader - an individual operating as the sole person legally responsible for all aspects of the business. Like other structures, as a sole trader you can employ people to help you run your business.

Company - a legal entity separate from its shareholders.

Partnership - an association of people or entities running a business together, but not as a company.

Trust - an entity that holds property or income for the benefit of others.

When deciding on a structure for your business, choose the one that best suits your business needs, keeping in mind that there are advantages and disadvantages for each structure.

It's important to investigate each option carefully, as choosing your business structure is an important decision.

Your business structure can determine:

- the licenses you require
- how much tax you pay
- whether you're considered an employee, or the owner of the business
- your potential personal liability
- how much control you have over the business
- ongoing costs and volume of paper work for your business.

It is important to note that you can change your business structure throughout the life of your business. As your business grows and expands, you may decide to change your business structure, or to restructure your business.

Obtaining legal or other professional advice can help you understand your own particular circumstances.

Having a solid Business Plan.



For a new business, a business plan helps improve your chance of securing finance and investment. A solid business plan will clarify your goals and help you to proceed in an organized manner. Whatever your growth ambitions are, chances of achieving them are greatly increased with effective planning.

Some of the key elements you need to consider when writing your business plan;

- An executive summary - This is a one or two page summary of your entire business plan. This is easier to do once you've completed the other elements of your plan.
- Business Description - You will need to include various aspects of your service offerings, the history of your field, and your personal goals and objectives.
- Products & services - You should be able to describe what it is that you are selling as well as identify what makes your product or service unique.
- Sales & Marketing - This gives you an insight into the state of the market, general costs, how business is acquired, and also gives you the opportunity to distinguish you against your competitors.
- Set the vision and direction of your business
- Carry out a SWOT analysis (STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS)
- Map out a one page action plan for your next steps
- Operations - The purpose of this is to help you outline the more administrative side of the business.
- Management Team - It is important to acknowledge your management teams involvement by which they contribute to your overall success.
- Development - This is where you can dream a bit. Project into the future and think big.
- Financial Summary - Back to reality. You will need to provide a record of your financial dealings, investments and how you came to the position you are in today.

When you start a business checklist

Please tick

	Do you have a business plan?
	Have you worked out your best source of finance?
	A succession plan?
	Have you registered your ABN, GST or other registrations & licences?
	Do you know which business structure suits your business? *Sole Trader *Partnership *Trust *Company
	Have you registered your business name?
	Do you have a marketing plan?
	Are you an independent contractor?
	Are you aware of your superannuation entitlements and obligations?
	Do you have adequate protection for intellectual property?
	Have you considered running a home based business?
	Do you know what your work/health/safety obligations are?
	Do you understand your taxation obligations?
	Do you understand your legal requirements?
	Do you know about standards & codes of practice?
	Have you set up record keeping & accounting systems?
	Have you arranged insurance?
	Do you have workers compensation insurance?
	Do you know how to employ people?
	Have you considered applying for grants and financial assistance?
	Have you considered doing business online?