

Checklist for Starters

1. the paperwork...

▶ legal Issues to consider...

Contact

<p>Taxation</p> <ul style="list-style-type: none"> <input type="checkbox"/> Register for an Australian Business Number (ABN) <input type="checkbox"/> Register for relevant taxes including GST and PAYG 	<p>Australian Taxation Office www.ato.gov.au/businesses Tel: 13 28 66</p>
<p>Business Structure</p> <ul style="list-style-type: none"> <input type="checkbox"/> Sole trader <input type="checkbox"/> Partnership – agreement in place? <input type="checkbox"/> Pty Ltd Company – required to register with ASIC <input type="checkbox"/> Trust 	<p>Your Local accountant</p>
<p>Business Name Registration</p> <ul style="list-style-type: none"> <input type="checkbox"/> DOCEP – for Sole traders and Partnerships <input type="checkbox"/> ASIC – for Company structures 	<p>Dept of Consumer and Employment Protection www.docep.wa.gov.au 219 St George's Terrace PERTH WA 6000 Tel: 9282 0777 Advice line: 1300 304 054 (cost of local call)</p> <p>Australian Securities and Investments Commission www.asic.gov.au Tel: 9261 4200 Level 3, 66 St Georges Terrace PERTH WA 6000 Tel: 9261 4200</p>
<p>Licenses and Permits</p> <ul style="list-style-type: none"> <input type="checkbox"/> Home based business license <input type="checkbox"/> Other local council requirements <input type="checkbox"/> Occupation / industry boards 	<p>City of Armadale www.armadale.wa.gov.au 7 Orchard Ave ARMADALE WA 6112 Tel: 9399 0111</p> <p>City of Canning www.canning.wa.gov.au 1317 Albany Hwy CANNINGTON WA 6106 Tel: 9231 0606</p> <p>Shire of Serpentine / Jarrahdale www.sjshire.wa.gov.au 6 Paterson St MUNDIJONG WA 6123 Tel: 9526 1111</p> <p>Business Information and License Centre www.sbdc.com.au Ph: 9220 0222</p>

▶ Insurances to consider...

<ul style="list-style-type: none"> <input type="checkbox"/> Personal accident and illness <input type="checkbox"/> Workers compensation <input type="checkbox"/> Professional indemnity <input type="checkbox"/> Public liability <input type="checkbox"/> Fire and burglary <input type="checkbox"/> Cash in transit 	<p>Insurance Brokers and Companies</p>
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▶ Intellectual Property

<p>Develop an IP Register for logos, trade marks, patents, copyright and designs</p>	<p>IP Australia www.ipaustralia.gov.au 233 Adelaide Terrace PERTH WA 6000 Tel: 1300 65 10 10</p>
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▶ **Will you employ staff...?**

<p>If you intend to employ staff, you will need information on:</p> <ul style="list-style-type: none"> <input type="checkbox"/> types of employment (casual, part or full-time; apprenticeships / traineeships; contractors); <input type="checkbox"/> awards and agreements; <input type="checkbox"/> superannuation, <input type="checkbox"/> Pay-as-you-go (PAYG) tax, and other relevant employment information 	<p>Department of Consumer and Employment Protection www.docep.wa.gov.au 219 St George's Terrace PERTH WA 6000 Tel: 9282 0777 Advice line: 1300 304 054 (cost of local call)</p> <p>Dept of Employment and Workplace Relations www.dewrsb.gov.au Level 12, 250 St Georges Terrace PERTH WA 6000 Tel: 9464 4200</p>
<p>Awards and Agreements</p>	<p>Award/Wage Rates www.wagenet.gov.au Tel: 1300 655 266 – State Awards Tel: 1300 363 264 – Federal Workchoice</p>
<p>Workers compensation insurance</p>	<p>WorkCover WA www.workcover.wa.gov.au 2 Bedbrook Place SHENTON PARK WA 6008 Ph: 9388 5555</p>
<p>Occupational Health and Safety</p>	<p>Worksafe Western Australia www.safetyline.wa.gov.au 5th Floor, 1260 Hay Street WEST PERTH WA 6005 Telephone: 9327 8777 or 1300 307 877</p>

▶ **Set up Bookkeeping / Record Keeping system**

<ul style="list-style-type: none"> <input type="checkbox"/> Find an accountant <input type="checkbox"/> Open business bank account (<i>need certificate of business name registration</i>) and arrange for cheque/deposit books <input type="checkbox"/> Discuss your financial position and any loan arrangements with your financial institute <input type="checkbox"/> Consider credit arrangements (e.g. EFTPOS and credit card facilities for customers) <input type="checkbox"/> Order and purchase stationery – letterheads; business cards; invoice; receipt; quotation books <input type="checkbox"/> Decide on record keeping system – manual /electronic? <input type="checkbox"/> Develop an assets / equipment register 	
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▶ **Entry options...**

<p>Startup Takes time and patience...</p>	
<p>Existing Buying an existing business can be more expensive to get into in the first place; however, can provide established premises, equipment and customers. If buying an existing business, request details of the last three years' trading figures, break-up of the purchase price (including goodwill), history of the business and owner and the reason for the sale.</p>	
<p>Franchise Is an alternative form where a company will sell you established products, operating methods, and cut out much of the leg work involved in starting up.</p>	

2. you...

▶ Personal Stuff

Motivation Not everyone is suited to running their own small business, so be honest with yourself about why you want to go into business for yourself. 'Buying yourself a job' or simply to remove yourself from an existing difficult employment situation is not necessarily the best foundation from which to start!	
Small business and family <input type="checkbox"/> Have you considered the impact on your family and current lifestyle? <input type="checkbox"/> Do you have family support?	
Strengths and Weaknesses Work out your own strengths and weaknesses and be realistic about them. We can't possibly be experts at everything, so consider what personal strengths you bring to the business and perhaps more importantly, the areas that need some development.	
Goals <input type="checkbox"/> What do you want to achieve in your business? and <input type="checkbox"/> How long do you expect it to take?	
Are your personal affairs up to date? <input type="checkbox"/> Update / organise will <input type="checkbox"/> Life / Disability insurance	Insurance Broker Financial Planner

3. the idea...

▶ Planning and Research

<p>Having a good idea is not enough! Before you start up, you need to know:</p> <ol style="list-style-type: none"> 1. is there really a demand for your product / service? 2. is your product / service right for the market? 3. is there room for a new business in the market? 	
<p>Research You will need to thoroughly examine:</p> <ul style="list-style-type: none"> <input type="checkbox"/> your competition, <input type="checkbox"/> the broader industry, and <input type="checkbox"/> collect as much information as possible about your customers – their products, pricing, what they are good at! <p>Remember to take time to collect impartial and accurate information, not just feedback from family and friends!</p> <p>Your research should include:</p> <ul style="list-style-type: none"> • Consulting with people operating in your industry - including your suppliers, competitors, agents, associations and authoritative individuals. • Find out current trends in the industry and any seasonal fluctuations. • Identify your competitors and determine what they sell, who they sell to, at what price and other marketing aspects. • Identify all possible suppliers for your business. • Identify your target market. Who are your customers? Where are they? How can you get to them? • Identify internal and external factors affecting your business proposition. What are your business venture's Strengths, Weaknesses, Opportunities and Threats? • Develop your Unique Selling Proposition (USP). What is going to make your business stand out? 	<p>When researching it may be useful to refer to:</p> <p>Australian Bureau of Statistics</p> <p>FMRC Industry Benchmarks</p> <p>IBIS Industry Reports</p> <p>Local Library and Shire Offices</p> <p>Book of Lists</p> <p>Yellow Pages and local information directory</p> <p>Industry Associations</p> <p>Other similar businesses</p>
<p>Don't rush! What is your timeframe? Years of experience support the view that a business idea, well researched and considered has a higher than average chance of survival.</p>	

▶ Location

<p>Where will your business operate from?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Home - check to see if you need a <i>Home Based Business Permit</i>. The savings on overheads can be substantial, but not all businesses are suitable to operate from the home environment. <input type="checkbox"/> Incubator <input type="checkbox"/> Commercial area - If you intend to rent premises, proceed with caution. Make sure the premises are in a good location; are suitable to your needs and that you understand the lease thoroughly before you sign it. Obtaining independent professional advice is strongly recommended before you commit to any lease document. 	<p>Local Councils</p> <p>Call us at the SBCSEM for further info on the Incubator facility.</p> <p>SBCSEM offer access to a commercial tenancy expert.</p>
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▶ Marketing and Promotion

How do you plan to market your business? Sit down and work out the target audience (who really buys your goods), where are they located, and what is the best means to reach them (don't automatically assume one form, e.g. Yellow Pages, is the best option!). Then work out how much this will cost, how long you will use the advertising, and what message you will put in it.

STRATEGIC LEVEL	
A broad Product / Market Definition: • What are you trying to sell and to whom?	
SWOT Analysis • Strengths, weaknesses, opportunities and strengths	
Market Segmentation • What are all of the types of customers that you could sell to? • What are the main categories of product or service that you could sell? • Which product / market segments will you target? • Why? What makes what you have to offer especially suitable to this market segment?	
Customer Analysis (for each market Segment): Describe your customer (who, what, when, where, how, how much, why, what motivates them?) Why do they buy from you?	
Competitor Analysis (for each Market Segment): Who are your main competitors? What are their strengths and weaknesses? What segments of the market are they targeting?	
TACTICAL LEVEL - Outline your marketing plan in terms of:	
PRODUCT / SERVICE Describe the main features and benefits of the product or service that differentiate it from the competition. These may include: • Physical features (sizes, colours, etc.) • The product range, accessories, etc. • Quality; Warranties; Service support Put yourself in your customers shoes – why is your product / service better? Why would they choose yours over any competitor's?	
PRICE Have you taken ALL your costs into consideration when working out your prices?	
DISTRIBUTION (Service Delivery) Consider how the products / services will be delivered to the customer and the costs associated with this.	
PROMOTION How will you let customers know what you have to offer? Consider: • What are the best promotional tools for your products? • Will you advertise? If so: through what media? What will be your message? How often? at what cost? • Can you use publicity, editorial or public relations activities to reduce costs? • Will you use gimmicks, inducements, specials, give-aways? etc.	
PEOPLE Who will make it happen? Do you need additional staff; training and development; Remuneration	

► Funding and Finance

<p>Furniture, Fittings and Equipment Required Not all businesses cost that much to set up but it is normal to expend some monies on setting up a business.</p> <ul style="list-style-type: none"> <input type="checkbox"/> What equipment do you need to operate the business? how much will it cost? is it available second hand? can you lease the goods? <input type="checkbox"/> Where will you get the money to purchase these items? 	
<p>Start-up Costs</p> <ul style="list-style-type: none"> <input type="checkbox"/> Have you calculated your 'one-off' start-up costs? These may include connection of power, water, phone, internet; bond payments; initial stock purchases; purchase of furniture and equipment. <input type="checkbox"/> Do you need to borrow money for start-up? How much will you need, and where can you source it? 	
<p>Operating Costs You need to research and estimate ALL costs associated with operating your business throughout the year. Remember to include advertising, wages, insurances, leases, motor vehicles costs, and those costs specific to your industry.</p>	
<p>Cash Reserves How much cash do you have in reserve (working capital)? A general rule of thumb is start-up costs plus three months' worth of business operating expenses available in ready cash.</p>	
<p>Budgeted earnings It's wise to look at the best and worst case scenarios. What is the minimum amount you need to draw from your business to survive? (This figure is base core survival stuff!!). You also need to calculate your preferred drawings rate. Drawing figures will vary from business to business and will depend on a whole lot of factors, but you need to give yourself a starting point!</p>	
<p>Sales Estimate Have you estimated the sales of your products / services for the first couple of years' operations?</p>	
<p>CashFlow forecast Have you calculated how much money you expect to flow in and out of the business in the first twelve months? THIS IS THE MOST IMPORTANT PROJECTION YOU CAN DO BEFORE COMMENCING OPERATIONS!</p>	
<p>Loans Do you need one? What type of security can you offer? What do you want the loan for?</p>	

► Business Planning

<p>This is a document that should tie all your work in the above areas together, lay out your plans for the future, and act as a blueprint for the future. A good business plan will show whether your idea is viable or not. It will also enable other people to give you useful feedback on the viability (or otherwise) of your project, and help financiers work out whether or not they will loan you any needed money.</p>	<p>Copies of business plans available from the BEC office or online</p>
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▶ **Business Support**

<ul style="list-style-type: none"><input type="checkbox"/> Who have you identified who can offer you support?<input type="checkbox"/> It is essential that you employ competent professionals who have specialist advice in key areas. These should include a solicitor (for any lease arrangements, contracts of sale, or other legally-binding arrangements), accountant (for financial projections, record keeping, compliance with tax laws, and preparation of your tax returns), and your Business Enterprise Centre (for general management advice).<input type="checkbox"/> Join trade or business association	
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This information is a basic guide – intended only to get you started! You should also consult relevant professionals such as business advisors, accountant, bank manager, insurance broker etc. Good luck!