



Hints and tips on setting up a consultancy business

Martin Gibson CStat, CSci, MSc, MBB

AQUIST Consulting

gg1000@waitrose.com



Why work for yourself?

- **What are your reasons for starting self employment?**
- **What is your speciality?**
- **How much do you need to earn?**
- **How many days do you want to work?**
- **From home or away from home?**
- **What is your day rate?**
- **Is this a long-term commitment?**
- **Will you sell the business on and start again?**
- **Chambers of Commerce, Business Link, Libraries**



Company Name

- **AQUIST Consulting**
 - **Check Companies House – is the name free to use?**
 - **Common: Martin Gibson Associates**
 - **Create your own stationery**
 - **Microsoft Word letterheads**
 - **Microsoft invoice templates**
 - **It's free!**
 - **Free Business Cards**
 - **Vistaprint – when all the basics are completed**



Bank Account

- **Keep it separate to your personal account**
- **Walk the high street**
- **Free banking, cheapest banking**
- **Business**
 - **Current Account**
 - **Internet Banking**
 - **Debit Card - essential**
 - **Credit card – not recommended**
- **Information packs**
- **Writing a business plan**



Accountant and Accounts

- **Visit at least five**
 - Who do you want to work with?
 - Check the fees and choose the cheapest
- **Accounts**
 - Keep track of all income and expenditure
 - Use a simple spread sheet, don't buy expensive software
 - List everything
 - **Company car – no!**
 - Log business miles
 - HMRC: < 10,000 miles 45p / mile; > 10,000 miles 25p / mile
 - Set your own rate, pay tax on the difference
 - Ride a bicycle – 20p / mile!
- **Tax Returns: One third, one third, one third!**
 - Tax this year and 50% upfront for next year!



Sole Trader, Limited Company, VAT

- **Sole Trader vs. Limited Company**
 - **Tax liabilities**
 - **Sole trader – take money when you want**
 - **Limited Company – take a regular salary and annual dividends**
 - **Are you sure you will have a regular monthly income?**
 - **Consult with your accountant**
- **2014-2015 VAT threshold £81,000,**
 - **Unpaid tax collectors**
 - **Management Consultancy Flat rate:**
 - **14% discounted to 13% in first year**
 - **£100 + VAT = £120 charged.**
 - **Quarterly returns via internet.**
 - **Pay VAT man 14% of £120 = £16.80**
 - **Profit to me £3.20 – taxable**



Advertising, Networking

- **Linkedin**
- **Who is in your network?**
- **How will people find you?**



Insurance

- **National Insurance**
 - Register
- **Professional Indemnity Insurance**
 - RSS web page: Towergate, other