

Thousands of people set up their own business every year. Many do so because they want to work for themselves after a period of time working in a related industry, others because they have a great idea and have spotted a gap in the market. There are also those that think they can substantially increase their income being their own boss.



One of these scenarios may apply to you and depending on the focus of the business a number of key areas need to be considered. Firstly, should I become Self Employed, effectively a Sole Trader, or should my business be a Limited Company?

There are no automatic answers and your choice will be dictated by a number of factors including:

- Level of turnover, size of company and whether there will be employees?.
- Will VAT registration be required? VATable supply and turnover thresholds?
- Will there be professional liabilities for the business?
- When starting the business will bank borrowing be required?
- Would you like to limit your personal liability?
- What are the best tax solutions from a business and personal point of view?

These are all valid questions and the answers will dictate whether you should become Self Employed or set up a Limited Company. McCrea Financial Services are well versed in helping people make the right decisions, from a self employed contractor charging a day rate, to the owners/directors of a company dealing with international focused businesses.

We can assist with the initial planning and put you in touch with a range of trusted professionals such as accountants and solicitors, all of whom have experience in your specific business sector. Looking at the “bigger picture”, McCreas would consider all aspects of your financial affairs and the manner in which they will interact with your proposed or existing business.

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We can assist with:

- Tax efficiency of initial investment – Director’s loan versus share capital
- Replacement or the provision of employee and director benefit packages
- Tax efficient extraction of profits – salary versus dividend

- Pension contributions - personal or through the business
- If you have employees, making sure you fulfil your workplace pensions reform obligations
- Tax efficient exit planning
- Keyperson insurances
- Other general insurance areas such as professional indemnity and public liability insurance

Clearly, these are complex areas and your decisions could affect the profitability or indeed the viability of your business. Please contact us if you would like a free initial consultation and guidance from our business planning experts.