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SOLICITORS & BARRISTERS

MORTGAGES & FINANCE

Help with your new business

Whether you are starting from scratch in a new business or purchasing an existing business, proper planning and assistance can greatly enhance your prospects for success.

In the case of a new venture probably the most important decision you will need to make is as to the appropriate business structure for the venture. Should you operate as a sole trader, partnership or a company? The ultimate choice in relation to business structure will depend on your personal circumstances, including family arrangements and taxation issues.

There are formal regulatory requirements to attend to. You may need to register a business name. There may also be a specific regulatory framework governing the area of operation of your new business. For example, if your business requires a license or permit from a Government body you will need to go through a licensing process.

You will need premises and this may raise issues relating to commercial leases.

If you are purchasing an existing business you will need to enter into a contract with the vendor and you will need to ensure that the contract accurately delivers the bargain that you have struck. In many cases, there will be a component of goodwill in the purchase price. You will need to satisfy yourself as to the reasonableness of the goodwill valuation. There will also be taxation implications arising out of the purchase transaction and its timing.

Whether you have set up your own business or purchased an existing business, you will need to protect all of your assets by way of suitable insurances and by using appropriate legal structures for the ongoing business. Lack of appropriate planning in this area has unfortunately seen many failed business ventures and can also lead to the loss of personal assets, including family homes.