










-  Business Consulting
-  Business Accounting
-  Business Succession
-  Taxation
-  Self-Managed Superannuation
-  Financial Planning
-  Personal Insurance
-  Retirement Planning
-  Estate Planning

STARTING OUT IN BUSINESS



THINKING OF GOING INTO BUSINESS? HASTEN SLOWLY!

If you are thinking of starting a business it pays to spend the time to gain a deep understanding of the industry and the business you are entering, also the reasons why you are going into business and what it is you hope to achieve.

Whether you are starting a business from scratch, buying a business or joining the family business it makes sense to learn as much as you can about the business before you make a commitment. Importantly, before you start in business it is also a good idea to have an exit plan for when you achieve your objectives, your circumstances change or things just don't work out.



AT A STRATEGIC LEVEL

Whether you are thinking of starting a business, or already in business, invest the time to work **ON** your business rather than only **IN** your business. Ask yourself the following questions:

- Why are you going into business?
- Who are your ideal customers?
- Who are your competitors?
- What is your competitive advantage?
- Who do you need on your team?
- What targets can you put in place to measure success?

Having the answers to these questions clear in your mind will help enormously when the inevitable distractions and hurdles come your way!

What sort of business are you setting up?
Will you operate as a sole trader, a partnership, a company or a trust?
This has important implications when it comes to tax obligations, admin responsibilities and legalities. Talk to us about ensuring you are set up correctly from the get go.



KEY CONSIDERATIONS WHEN STARTING IN BUSINESS

Here are some of the typical items to consider when looking into starting any business:

- What skills are required, do you have these or can they be readily employed?
- Is the business a good fit for you and your values?
- Location and access to the relevant market (secure premises, transport, parking, zoning)
- Industry trends (technology, disruption, online, competition, product relevance, margins)
- Access to employees, material inputs, water, power, etc
- Equipment and capital expenditure required
- Local demographics

BUYING AN EXISTING BUSINESS

When buying an existing business, it is important to get an understanding of:

- How much profit is the business generating (after the value of owners wages)
- What are the maintainable earnings (trends in recent years, future assessment)
- Employee hours and costs, how to keep key employees on board
- Owners hours and how these ought to be costed
- Business margins, trends, how do these compare to the industry
- Condition of the equipment and allowance for replacement
- Seasonal trends in income and expenses
- Key overheads (IT, marketing, energy, occupancy)

UNDERSTANDING THE CASH FLOW

Cash flow is critical to every business! It is therefore prudent to understand how the business consumes cash into working capital over time depending on levels of growth, investment into inventory, equipment, collection of accounts, supplier terms, tax and finance obligations.

**This information can be complex and overwhelming to navigate your way through.
We can help ensure you have a comprehensive understanding of the business finances.
Contact your adviser at BMG to find out how to benefit from our experience!**



THE BMG TEAM

Our team consists of passionate people working together to achieve extraordinary things.

By combining our knowledge and experience, you can rely on us to achieve the best outcomes for you, our client.

enabling people to achieve



WHAT'S NEXT

If you are looking to work with a team of professionals to achieve your dreams, contact us on -



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