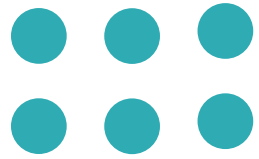




Owning a Business

- Presented by
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- Certified Quickbooks Trainer



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After 20 years in Industry analysing company data to support commercial business decisions, I founded Business Works with a vision to offer real-world solutions to businesses.

We have grown into a trusted partner for companies seeking a better understanding of their numbers, great customer service, and business growth.

With a team of 12, we are large enough to provide all the finance support SME business owners need, plus the value-added services that help them to flourish and grow.



What you need to know

- Responsibilities
- Red Tape
- Legal rules

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Your Role in the Business

1. Employee
2. Shareholder
3. Director



Directors Duties

Directors are in charge of the management of the company's business

- Strategic decision
- Operational decisions
- Meet statutory obligations



Directors Duties

Act within powers

Specific purpose of business

Generic – to trade



Directors Duties

Promote the success of the company

Increase the value of the company over a period of time

Section 172 CA 2006



Directors Duties

IOD's Code of Conduct – six core principles of director conduct

1. Leading by example
2. Integrity
3. Transparency
4. Accountability
5. Fairness
6. Responsible business



Directors Duties

Exercise independent judgement

Make your own decisions



Directors Duties

Exercise reasonable care, skill and diligence

To carry out your role and duties

To delegate as appropriate



Directors Duties

Avoid conflicts of interest

Avoid exploitation

Consider the implications of:

- Multiple directorships
- Advisory positions
- Personal use of information or opportunities
- Connected persons



Directors Duties

Benefits received because you are a Director!

Don't accept them

Consider the Bribery Act 2010



Directors Duties

Bribery Act 2010

- Authorising a bribe to secure a contract
- Failing to implement a whistleblowing hotline
- Ignoring red flags raised by employees

- Requesting, agreeing to or accepting a bribe
- Failing to prevent bribery

- Potential for criminal prosecution



Directors Duties

Declare any interest

If you have an interest in any transactions or arrangements

- Existing
- Proposed



Directors Duties

Other Duties

- Confidentiality
- Health and Safety
- Environment
- Anti-corruption



Directors Duties

Insolvency

Can be deemed to be personally liable!

- Duty to creditors



Accounting, Bookkeeping and Tax

- Incorporation → UTR from HMRC

Duties

- Submit a Corporation Tax return on time and pay any tax owed
- Submissions to Companies House



Accounting, Bookkeeping and Tax

Record Keeping

- Keep accurate records
- Provide evidence for 6 years plus the current year
- Take reasonable care
- Register for VAT as required
- Meet deadlines



Accounting, Bookkeeping and Tax

Deadlines

Companies House

- Accounts – 9 months
- Confirmation Statement
- Changes to the information on Companies House



Accounting, Bookkeeping and Tax

Deadlines

HMRC

- Accounts – 12 months
- Payment of Corporation Tax – 9 months and 1 day
- VAT returns – one Calander month and 7 days
- PAYE
 - Submit under RTI on the day your employees are paid.
 - Pay deductions under PAYE by 22nd of the next month
- Self-Assessment – 31st Jan of the next year plus payment on account



Money earned in the Business

Separate legal entity

Ensure you have a separate bank account

Before taking money out of the business for personal use, consider:

- Can the business meet all its financial liabilities after you make the withdrawal
- What legal route are you using to make the withdrawal
- Is the withdrawal tax efficient?



Money earned in the Business

Cash extraction

1. Payroll
2. Expenses
3. Dividends
4. Directors Loan



Employing People

You should engage the services of a HR professional

Employees have a legal right to many things including:

- Employment contract
- National Minimum Wage
- Working Time Directive
- Holidays
- Pensions
- Check eligibility to work in the UK
- Employers Liability Insurance



Insurances

Ensure its “Fit for Purpose”

- Professional Endemnity
- Public Liability
- Employers Liability
- Buildings and contents
- Directors and Officers
- Relevant Life
- Shareholder

Other webinars

Financial Management – Know your Numbers

10 am

Tuesday 4th Feb



Thank

You



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