

Starting or building your business / social enterprise

This guide answers some frequently asked questions relating to starting and growing a business - from generating ideas and gaining funding to marketing and managing risk. The final page lists useful resources for further help and support.

Book an Enterprise Appointment at the QM Careers Centre for advice on any aspect of starting or developing a business, including feedback on applications for prize funding and business competitions. As well as offer advice, we can help you to access experts across the college and amongst Queen Mary alumni. Find out more on our website: www.careers.qmul.ac.uk/enterprise

How do I develop, evaluate and test my idea?

Researching the market is an important starting point. Consider your competitors, customers, how much you can charge and how you will promote and sell your product or service. Then you can begin to test the market, get feedback and refine your idea. Consider applying for the QM 'Try it' or 'Grow it' funds to help support this. For further tips and advice on researching, testing and evaluating see:

www.startups.co.uk/10-steps-to-starting-your-business?intTrk=topNav,
www.gov.uk/starting-up-a-business/start-with-an-idea and www.gov.uk/market-research-business

What should I include in my business plan?

To help consolidate your ideas and establish your next steps, develop a business plan. This will help to focus your ideas and is an essential requirement for approaching potential funders. For templates and advice see: www.gov.uk/write-business-plan and www.princes-trust.org.uk/pdf/BusGuide_BusinessPlanb.pdf

How do I price my product / service?

How you price your product or service is crucial to the success of your business, so it is vital to get this right. Consider all your overheads and running costs. See the second half of NESTA's PDF about financial modelling: www.nesta.org.uk/library/documents/CETBook4.pdf and sections 13 & 14 in: www.princes-trust.org.uk/pdf/BP%20Business%20Plan%20Guide%20mar10.pdf

What are 'cash flow' and 'profit and loss' and how do I calculate them?

Financial planning, forecasting and record keeping are key to running a healthy business: www.gov.uk/understand-business-cash-flow, www.gov.uk/forecast-business-finances, www.smarta.com/advice/accounting-and-tax/bookkeeping/understand-a-profit-and-loss-sheet, www.shell-livewire.org/business-library/accounts-and-finance/financial-forecasting-and-planning/

How do I get funding?

Most businesses are started with little funding, often gained through self finance, friends and Family. 'Bootstrapping' (starting your business, small-scale, on a shoestring and investing profits in growth as you go along) is common. See the 'Try it' and 'Grow it' funds available through Queen Mary. Our website also contains information about business awards and competitions: www.careers.qmul.ac.uk/students/enterprise/Funding

- Funding directories:

Business link Finance finder: www.gov.uk/business-finance-support-finder, Business Finance for You: www.businessfinanceforyou.co.uk and www.businessfunding.co.uk/ have online search tools to identify sources of finance by region, sector or purpose including grants and loans.

Other sources of funding- loans and external investors:

- Loans:

- Most banks provide loans for start-up businesses with a convincing business plan. Remember you will have to pay interest on what you have borrowed. Some banks offer free information and advice.
- Community Development Finance Institutions: help those unable to access funding through banks: www.cdfa.org.uk/membership/our-members-2/
- Start up Britain: Government-backed start-up loans for 18 to 24 year olds to start their own business www.startuploans.co.uk/ or www.startupbritain.co/loans/.
- East London Business Centre offer access to Loans (contact details below)

- External Investors:

- Private investors / business angels / venture capitalists: work in a similar way to Dragon's Den, where investment is provided in return for a share of the business. Often mentoring support, advice and access to a network of contacts can be as valuable as the funding. Seek legal advice before signing contracts. UK Business Angels Association: www.ukbusinessangelsassociation.org.uk/ and Angels Den: www.angelsden.com/
- Crowd-funding: reach individuals who might be willing to offer some funds for your business idea. See: www.crowdfunder.co.uk and www.crowdcube.com/

What is a 'business Angel' and how should I work with them?

www.smarta.com/advice/business-finance/private-equity/raising-finance-from-business-angels

What's a 'venture capitalist'?

Whereas business angels are individuals venture capital comes from companies or organisations who invest on behalf of others. The amounts they invest tend to be larger and are often for businesses that have a semi-established / tested business idea.

How can I find out how much tax I have to pay?

If finance is not your strong point, you may consider getting help from an accountant, however these sites contain everything you need to know about tax. www.gov.uk/browse/business/business-tax, www.hmrc.gov.uk/selfemployed/

What Insurance does my business need?

www.princes-trust.org.uk/PDF/BusGuide_%20Insurance%20jan09.pdf

How do I pitch my business?

This is important when it comes to selling your product, but is often a key part of gaining funding, and entering competitions. For tips, inspiration and to view some elevator pitches (a quick yet comprehensive and engaging overview of your business that you can give in the time it takes to take a lift) see: www.startups.co.uk/how-to-pitch-to-an-angel.html and videos of pitches: www.shell-livewire.org/

How do I find out which legal structure is best for me?

Freelance? Franchise? Sole-trader? What do they mean and which one is right for you? www.gov.uk/business-legal-structures www.shell-livewire.org/business-library/choosing-a-legal-structure/

What is a Social enterprise and how do I set one up?

A business venture with a social / environmental purpose, often reinvesting profits back into their 'social mission'. See: www.nesta.org.uk/library/documents/Nesta_UnLtd_Rooted_Guide.pdf, www.socialenterprise.org.uk, <http://unltd.org.uk/>, www.gov.uk/set-up-a-social-enterprise and QM Enactus: www.facebook.com/QMENACTUS

How do I register as self employed?

You will need to register with HMRC. www.hmrc.gov.uk/startingup/index.htm. Keep records of your income and expenditure and complete a self-assessment tax return each year. To set up a limited company you will need to register with Companies House: www.companieshouse.gov.uk/infoAndGuide/companyRegistration.shtml

What are my legal responsibilities and how do I get legal Advice?

www.princes-trust.org.uk/pdf/BusGuide_BusinessLawb.pdf is a fantastic overview of the legal responsibilities you face when starting a business. QM has a Legal Advice Centre on campus: www.advicecentre.law.qmul.ac.uk/. Many of the Business Advice services listed below provide information regarding legal issues, as does The Law Society: www.lawsociety.org.uk/for-the-public/common-legal-issues/setting-up-business/

How do I get find out more about Intellectual Property and Patents?

www.gov.uk/browse/business/intellectual-property. In addition, QM has access to intellectual property experts. Book an enterprise appointment to discuss this with one of our Career Consultants.

How do I get help with areas like accounts, IT, marketing?

You can do everything yourself from accounts to publicity to designing your website. The '3 websites to add to your favourites' list below contains helpful articles to help with this. Many also provide training on these topics, as does the Portobello Business Centre: www.pbc.co.uk/.

You might decide to bring in expert help. Skills exchanges are available through networking events where you are able to swap skills or make use of the expertise of other new local businesses.

This website lists new enterprises who can offer their services and expertise at competitive rates: www.enterprisenation.com/business-directory. Business Gateway Scotland has advice about how to find and work with an accountant: www.business.scotland.gov.uk/bdotg/action/layer?site=202&topicId=1073963622 and www.startups.co.uk/find-a-supplier has a directory of recommended suppliers.

What do I need to know about managing risk?

Understanding what the risks to your business are will help you plan to avoid them. www.smarta.com/advice/business-growth/strategic-planning/managing-risk

How and why should I do a competitor analysis?

Knowing who your competitors are and understanding what they offer is an important part of defining and developing your business. See www.smarta.com/businessbuilder/help-centre/planning-resources/how-to-carry-out-competitor-analysis and www.business.scotland.gov.uk/bdotg/action/detail?itemId=1079681498&site=202&type=RESOURCES.

How do I get more experience?

Before or whilst starting your business, get experience working in another start-up. Find opportunities and possible work experience contacts in a range of start ups: www.enternships.com. See also QM Entrepreneurs Society: www.facebook.com/QMEntrepreneurs and QM Enactus: www.facebook.com/QMENACTUS

Where can I get further help and inspiration?

Many of the websites listed contain case studies and details about events where you can network to share ideas, support and gain inspiration. In particular see <http://nacue.com> and <http://flyingstartonline.com/case-studies>. They often contain interesting news and blog articles about competition winners e.g. Nesta's 50 top radicals: www.nesta.org.uk/news_and_features/britains_new_radicals/3space. Some also offer mentoring such as: www.nationalenterprisenetwork.org/what-we-do/get-mentoring-programme. View new business ideas at www.springwise.com/ and keep up with trends at sites like www.thecoolhunter.co.uk/ and www.trendwatching.com/

How can I make sure I haven't missed anything?

Checklists: www.princes-trust.org.uk/pdf/BusGuide_FormingBusinessb.pdf and www.adviceguide.org.uk/england/life/employment/self-employment_checklist.htm

Three websites to add to your favourites - whatever stage of your business:

BIS's new site: <http://businessinyou.bis.gov.uk>

- Finance finder (searchable database)
- Find business support schemes, access a mentor in your area, events, workshops and seminars
- Case studies and blog for updates
- Email sign-up facility to be sent resources targeted to your situation

Shell Livewire: www.shell-livewire.org/

- Advice, funding, discussion forum and events focused on 16-30 age group.
- Video lounge for information and inspiration, including elevator pitches, case studies and 'how to' guides
- Excellent range of easy to read information on topics from generating ideas to marketing and promotion, e-commerce, employing others and setting up a work space.

HMRC: www.hmrc.gov.uk/startingup/index.htm

- Everything you need to know about finance, VAT, National Insurance and tax
- Additional support available through webinars, YouTube and workshops

Other resources:

Bright Ideas trust: www.brightideastrust.com/

- provide funding and support to aid the business start-up process

British Library Business and IP Centre: www.bl.uk/bipc/

- workshops, events, advice and resources plus access to business databases

East London Small Business Centre: www.goeast.org/

- Resources, advice, training and business loans available for East London based entrepreneurs

Entrepreneur: www.entrepreneur.com/

- How to guides on a range of topics from starting a business, to running and growing your business, money, marketing and technology.
- Blog containing interesting advice, news and articles relating to enterprise

London Chamber of Commerce: www.londonchamber.co.uk/

- Events and networking, business advice including an advice surgery

NESTA: www.nesta.org.uk/news_and_features/resources

- Has some excellent guides including: Market research and idea evaluation, Refining your product or service, Successful sales and marketing

Princes Trust: www.princes-trust.org.uk/need_help/enterprise_programme.aspx

- Has excellent business guides, plus resources and funding for 18-30 year olds.

Smarta: www.smarta.com

- Useful range of advice guides, blog, and social networking opportunities.

Start up Britain: www.startups.co.uk

- Browse their calendar of events including a regular 'Start up Saturday', and a marketplace where you can search for products, services and offers.

Unltd: <http://unltd.org.uk/>

- One to one support, expert advice and resources for social entrepreneurs.
- Includes news, blog and case studies.

Updated November 2012