

Followed by – Get to Grips with Your Finances..

1- Open a Dedicated Business Bank Account

Keep your personal and business finances separate. A dedicated account makes managing cash flow easier and keeps your finances organized. For example, many UK banks like Starling and Monzo offer free business accounts with tools for tracking expenses and sending invoices.

2- Register for VAT (if Turnover Exceeds £85,000/year)

If your annual turnover goes over £85,000, you must register for VAT. It's worth considering even if you're under the threshold, as it can improve your credibility with larger clients. Visit the HMRC website for step-by-step guidance on VAT registration.

3- Set Up Accounting Software or Hire an Accountant

Streamline your bookkeeping by using software like QuickBooks, Xero, or FreeAgent. These tools help track income, expenses, and taxes. If you're not confident handling finances, hire a professional accountant to ensure compliance and save time.

Example: Hiring an accountant might cost you £50-£100/month but can prevent costly mistakes and free up your time for billable work.

4- Having Proper Operating Procedures

Standardize your processes for consistency and efficiency. Create checklists for tasks like quoting, job completion, and follow-ups. For example, use templates for client contracts and service agreements to ensure you're always on the same page with customers.

5- Get Insurance and Compliance

Protect your business and clients by staying insured and compliant.

- **Public Liability Insurance:** Covers damage or injury claims from third parties. Essential for tradespeople working on-site.
- **Employer's Liability Insurance:** A legal requirement if you hire staff. It protects you from claims by employees for work-related injuries.
- **Trade Licenses and Certifications:** Keep these updated to ensure you meet industry standards. For example, gas engineers must have a valid Gas Safe registration.