

# START-UP BUSINESS

## CHECKLIST

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# INTRODUCTION

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Starting a business is an amazing adventure but, like all adventures, it can be somewhat of a whirlwind. What most start-ups struggle with is knowing what they need to have in place for compliance and to protect their business.

LegalDrop have created this Start-Up Business To-Do List for you to ensure you're ticking all those essential boxes on the way to launching your venture.

## QUICK NOTE

If you've launched your business already, that's ok. Work your way through our checklist to see if there's anything you've missed. It's never too late to take the suggested actions below to ensure your business is compliant and protected.

# REGISTER YOUR BUSINESS

## SOLE TRADER

If you have decided to operate as a sole trader then you'll need to head to Gov.UK and [register as self-employed](#)

### ✓ PROS

- Less Paperwork
- Submit a yearly self-assessment instead of more complex Companies House accounts
- Business details do not have to be made public

### ✗ CONS

- No legal distinction between yourself and your business, meaning you are personally responsible for all business profits but also any business debts.

## LIMITED COMPANY

To set up your business as a limited company you'll need to register your business with [Companies House](#)

### ✓ PROS

- Preferable for businesses with Shareholders and multiple Directors
- Shareholders of only responsible for company debts amounting to their investment

### ✗ CONS

- Company details will be available publicly
- Accounts for an Ltd can be more involved
- Registering with Companies House currently costs £12

# BUSINESS PLAN

Even small businesses need a plan. This doesn't have to be huge and it doesn't even have to be well-written, if it's just for your referral. Think of your business plan as a set of directions and research on the places you're going. Your journey may take you off on detours but having your plan to refer back to will help keep you focused on your core values and wider purpose

### WHAT TO INCLUDE IN YOUR BUSINESS PLAN

- Market Analysis
- Competitor Research
- Design & Development Plans (product and services)
- Financial Projections
- Ideal Customer Profile
- Marketing Plan

# THINGS TO DO

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## REGISTER YOUR DOMAIN NAME

Even if you're not ready to create a website for your business, you'll want to secure your domain name (website address). There are many companies to buy domain names from including [123.Reg](#) and [GoDaddy](#), however, if you are building your website on a platform such as WIX you may find it is simpler to buy through them so that your hosting and domain name is centralised

## BUY BUSINESS INSURANCE

Legally speaking the only business insurance you must have is Employers' Liability cover, and that's only if you're employing staff. However, securing [Professional Indemnity Insurance](#) is wise as this offers protection against financial claims made against you based on faulty goods, inadequate service or breaking of a contract.

## DATA PROTECTION

All businesses should ensure they know the law when it comes to [data protection guidelines](#). Misuse of personal data may result in a fine and damage your business reputation so it may be worth consulting a [professional data protection advisor](#). On your company website, you must also have displayed a [GDPR-compliant privacy policy and cookie policy](#), even if your website is currently just a holding page. Templates are available online but if you store enhanced data, share data with other subsidiaries or work with vulnerable people (including children), it may be worth having a lawyer review the suitability of the policy.

## TERMS AND CONDITIONS

Well written, reasonable terms and conditions will protect you and save you time and money. Some business owners draft their own terms and conditions but it may be wise to source some [legal advice](#) to ensure your T&Cs are compliant and enforceable

## BUSINESS BANK ACCOUNT

If you own a Limited Company then it is legally required to have a business bank account. Sole traders have no legal obligation but having business banking is advised to keep your business and personal accounts separate. Ensure you research and [compare business banking options](#) as charges and facilities can differ

## PATENT APPLICATIONS, LICENSES AND PERMITS

Depending on your business type, you may need to acquire other licenses and permits, particularly if you're selling alcohol, food or offering qualified services. This free [Gov.UK tool](#) may help advise you on any licenses or permits you may need

**LEGAL**DROP

To find out more

**CALL US TODAY**  
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or email: [Hello@LegalDrop.com](mailto:Hello@LegalDrop.com)



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