

Starting and running a business in 2026 - 22 things to think about

Starting or running a business can be fantastically rewarding. It might even be fun if your work is something you enjoy. It can also be daunting. There is a vast range of information available and this can sometimes lead to you feeling swamped. This 'checklist' has been developed to help you along the path of starting and running '*a small business*'.

A suggested 'annotation' for each item below follows:

N	Not applicable
L	Come back to later (maybe insert a review date and High, Medium or Low priority.
W	Work on now
C	Complete
A	Talk to an accountant, business advisor and/or trusted friend that runs their own business

Some items in the list below are for companies only (explained below where relevant).

1. If you want to travel somewhere you use a map. In business it's just the same except you get yourself a **plan**. Commit it to writing and don't expect to get it right first time (no one does!).
2. **Choose your trading format**, i.e. company (usually signified by 'limited'), sole trader or partnership or limited liability partnership. This is an important step and one to talk through with your accountant. You can set up a company for £100 at Companies House. Understand the personal liability risks of sole trader/partnership and, indeed, joint and several liability if trading in partnership ('last person standing pays the lot!'). If things go badly wrong your personal wealth could be at risk.
3. **Choose your accountant**. Accountants are usually prepared to see you for an initial 'no obligation' meeting. Be clear about who your regular contact will be, their qualifications and knowledge of your industry, their hourly rates and whether they have professional indemnity insurance.
4. Make sure you have a source of **legal help**. Could your local solicitor help? Alternatively, your trade association may offer a free legal helpline that may suffice initially.
5. There is **free government help** that you can find at www.gov.uk search under 'Set up a business' for tools and guidance for business.
6. **Regional or country-specific support** is also available at:
 - a. England: www.businesssupportservice.gov.uk and your local 'growth hub funded by the government to give you free advice and support locally
 - b. Northern Ireland: www.nibusinessinfo.co.uk and www.go-succeed.com;
 - c. Scotland: www.findbusinesssupport.gov.scot;
 - d. Wales: www.businesswales.gov.wales.

7. **Join the best *trade or professional association*** that you can identify – compare the benefits (networking, helplines, tax investigation cover etc).
8. Choose and, if appropriate, protect your ***business name***. There is some useful free help available on intellectual property (patents, brands, etc.) at www.gov.uk/government/organisations/intellectual-property-office.
9. Choose a ***business bank account***. New internet-only accounts may be free.
10. Combine business plans with your wealth and pension needs with a **financial advisor** regulated by the Financial Conduct Authority (FCA).
11. **Sort out your tax and record keeping** (documents need to be kept for six years and you need to become a receipt/invoice hoarder with a logical ‘system for filing’); as the taxman will say, ‘Prove it or lose it.’ Check first with your accountant before buying any bookkeeping system.
12. Understand the implications of failing to deal with your **tax** affairs properly. Penalties can range from 30 per cent to 200 per cent plus interest. Some trade associations include ‘free’ tax investigation cover.
13. Understand your key **tax obligations and deadlines**. For companies, you are obliged to file your annual accounts at Companies House nine months after your year end (your accountant will do this) and your *confirmation statement* on the anniversary of setting up a company each year.
14. Understand your obligations on **VAT**. The current registration threshold for compulsory registration is £90,000. Consider VAT schemes, especially the VAT flat-rate scheme for small businesses.
15. Set up your **premises** so that you can work effectively. If you work from home, manage the expectations of your family and neighbours – suddenly the phrase ‘time is money’ takes on a new meaning.
16. Set up your **suppliers** (set up contracts and bills in the company or business name) and, if appropriate, set up stock control and delivery systems.
17. Consider **insurance** policies for identified business risks (professional indemnity, public liability, product liability, etc.). An insurance broker can advise on this and you should also consider policies available via trade associations as these can provide increased cover at less cost (don’t forget to notify your home and car insurers if you use these for business).
18. Consider **protecting the income** you take from your business (especially if you have dependents) in the event of long-term *illness* or *death* and if in doubt take advice from a financial adviser regulated by the FCA.
19. If you are not from a selling/marketing background, talk to trusted friends who run their own business and your accountant/adviser or mentor about your **market research and marketing plan**. Plan the *pricing* strategies for your product or service. A different package means a different price. How have you benchmarked your price and how have you differentiated your offering (features and benefits) to allow you to charge that little bit more? Conversely, what features and benefits have you stripped out to allow you to offer a price beneath the competition?

20. Get paid promptly for your sales. What are your **payment terms** (terms and conditions)? Follow up on outstanding debts. If you sell stock, have you included a reservation of title clause if your client goes bust?
21. Set up your **IT system** and support and have a system to back up your data securely. Check whether you need to notify the Information Commissioner under the *data protection* laws (ico.org.uk).
22. Consider **other red tape**, especially if your area is a specialised sector (food, health and safety, etc.). Investigate and apply for the licences and permits that your business may need.

Top tip

Review and update your business plan in the light of experience and keep it a living, written document throughout your business journey. It's not a one off that's done and forgotten. A good business plan grows with your business and can be the difference between a good business and an average business.