



# **Starting a business- Which business structure to use?**

**Help for businesses and other owners**

Helping your business grow!



Choosing the right business structure is essential for a range of business and tax reasons. VNF Accounting can help start-ups and businesses in the UK

You will need to decide which business structure best suits your needs:

- sole trader/sole practitioner (an individual);
- a partnership (two or more individuals or companies);
- a limited liability partnership or
- a limited company.

There are both advantages and disadvantages for each trading structure in terms of control, perception, support, costs and tax implications.

# Helping your business grow!



Each situation must be judged individually. As well as the tax and national insurance issues, you will need to consider such things as the nature and expected rate of growth of the business, the degree of commercial risk, administrative obligations, pensions and retirement, and your personal preferences.

In the early years of a business, operating as a sole trader is often attractive because funds can be used with fewer restrictions. But as your business develops, there may be advantages to incorporating (forming a limited company).

If you are thinking of starting up in partnership, it is essential to have a formal agreement drawn up and to take professional advice.

Care needs to be taken, and we can help you through the decision-making process.

At VNF Accounting we have a wealth of experience in providing professional advice to start-ups in the UK about choosing the right business structure, and we can help you through the decision-making process.