



Make a success of your new business idea.....

Have you ever thought about turning your hobby into a money-spinner? In many cases all that's needed is a van and a lot of enthusiasm. With it being based on your hobby you should already have much of the equipment needed. You could become a dog walker or groomer, gardener, painter / decorator, caterer, photographer, mobile hairdresser / beautician / holistic therapist, furniture restorer or maybe something else?

Hobby-based businesses have become a boom growth area for new start-ups. Online retail is another option to consider. For example, an arts and craft hobby can lead to selling bespoke or personalised items such as cards, furniture, baby gifts and pet accessories on websites such as Etsy or Not on the High Street. Other popular areas include blogging and games development. However it must be taken into consideration that only four out of ten people who set up their own business make a full time job from it. For many it just remains a side line for making a bit of spare cash.

If you are thinking of setting up your own business it is important to realise that it takes on average six to nine months before you start to make a profit. We would recommend that you keep your day job or start working part-time if possible in the early days. Research your chosen field well and be aware of competitors. Perhaps back up your skills with a course or professional qualification to aid your credibility. It is also very important to seek advice from any relevant professional bodies to check any regulations, tax implications, insurance and financial protections you may need.

A business plan can be a great tool to help you make sure you have thought thoroughly about all aspects of the actual business itself. It can be used to clarify your goals, ideas and long-term plans by including your objectives, strategies, sales, marketing and financial forecasts. There are many templates available on the internet that can be used as a guide.

Further along the line a detailed business plan can be a very useful tool to show customers, suppliers and potential employees that you are organised and mean business. It is also a valuable document if you need to approach lenders in order to source additional finance to grow the business.

Many traders start off in a small way and assume their activity is treated as a hobby. You are allowed to earn up to £1,000 tax free per annum, however be aware of the tax implications if you exceed this exemption. If you repeatedly buy things to resell, make things with a view to selling them, or frequently sell items online in order to make a profit, then this is classed as trading and HMRC should be notified. If unsure, we suggest you seek professional advice.

Published in the Wigan Observer – 5th February 2019