

Frank Hoole, Sector Manager Finance and Professional Services, Business Link Northwest



“People who are planning to start up in business and companies that want to expand and need help getting into better financial shape come to us. Whatever their situation, our support can help.”

However, help is at hand for Manchester Businesses. “We see businesses of all kinds at all stages in their development,” said Frank Hoole, Sector Manager, Finance and Professional Services for Business Link Northwest. “People who are planning to start up in business and companies that want to expand and need help getting into better financial shape come to us. Whatever their situation, our support can help.”

Counting the cost of starting up

“People don’t start up a business to spend money, but to make it. Any would-be business owner must face the fact that there is going to be a lot of spending to do before the first profits come rolling in.”

It is wise to assume that new businesses won’t be turning a profit for the first six months and a contingency sum should be set aside in case there are problems with cash flow or unexpected bills.

“Really it’s as simple as making a list,” Hoole said. “There will be equipment to rent or buy, rent to pay, staffing costs, marketing...the list goes on.”

Planning ahead

Once it is known how much money the business is going to need, the next step is securing the money. For many people, this may mean applying for loans, grants or investor funding. Any kind of financial backer will want

to see a thorough business plan, with accurate financial forecasts, before they make a decision.

Budgeting accurately, controlling costs and managing cash flow are all critical to the success of a small business and poor financial management is often the stumbling block for otherwise flourishing businesses. Avoiding bad debt is also one of the golden rules that companies break at their peril.

New money

Whether a business has encountered difficulties or capital is needed to grow the company, any business may reach a time when it needs a cash injection.

Banks will be the first port of call for many, but there are other options for increasing the cash levels within a business, often with little or no cost attached.

“As with any aspect of business finance, my advice is, ‘If you don’t know, ask,’” said Hoole. “No-one expects small business owners to be financial wizards, but effective financial management is key to the success of any business so you need to invest time and resources to get it right.”

Tel. 0845 00 66 888

www.businesslink.gov.uk/northwest

