

# The Sole Trader Startup Guide

You've done the thinking and now it's time to go for it by making your own business. Back yourself! There's nothing more rewarding than seeing your ideas turn into a success. So where to start? In this guide, we provide a quick start reference to help you get off the ground.

## 1

### THE IDEA

Turning your new idea into a potential business

Create your Plan on a Page, and try to define:

- The customer problem your new product or service will solve
- How you will build the solution to the problem
- Your understanding of the competition, and if this solution already exists



## 2

### KNOW THE CHALLENGES

Consider what it's going to take to succeed.

Understand what you're signing up for



- Be prepared to sacrifice work / life balance
- Know you are personally and legally responsible for your business
- Plan and manage your cash flows ahead

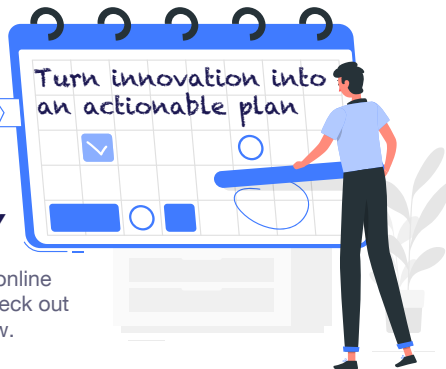
#### RESOURCES:

[Managing sole trader cash flows](#) | [Sole App](#)

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### DOCUMENT YOUR STRATEGY

There are an abundance of online business plan templates, check out some of our favourites below.



#### RESOURCES:

- [How to Write an Effective Business Plan](#) | [Sole App](#)
- [Business.gov.au: Develop your business plan](#) | [business.gov.au](#)
- [Commonwealth Bank Australia: How to write a business plan](#) | [business.gov.au](#)

## 4

### REGISTER YOUR BUSINESS

Formalise your business activities

Make sure you register your business, and know your requirements:



- [Register for an Australian Business Number \(ABN\)](#) | [business.gov.au](#)
- [Register your business name](#) | [business.gov.au](#)
- [Tax Registration with the ATO: Tax differences between a sole trader and a company](#) | [business.gov.au](#)

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### CREATE AND MANAGE YOUR BUDGET

Forecast for your business and track your cash flows

Use a tool like [Sole](#) to manage, track and simplify your finances and accounting. It is also important to consider professional financial advice tailored to your business.

#### Resources:

- [How To Budget & Forecast - A Guide For Sole Traders, Small Business, Freelancers](#) | [Sole App](#)



The Australian Bureau of Statistics estimates **40%** of Australian businesses fail in their first **5 years** of trading due to issues with managing finances, specifically cash flows.

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## UNDERSTAND LAWS AND REGULATIONS

Know the rules that will impact your business

Australian business laws can be complex and are strict in order to protect consumers. If you need support, reach out to a professional for guidance. Check out the following guidance:

Check out the following government guidance:

[Legal essentials for business | business.gov.au](#)

[Fair trading laws | business.gov.au](#)

[Understand contracts | business.gov.au](#)


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## MANAGE YOUR RISKS

Identify your risks and put plans in place



- Identify your risks
- Create a risk management plan
- Reduce and control your risks with insurance

**Resources:**

[Business insurance | business.gov.au](#)

[Business Insurance For Sole Traders | Compare the Market](#)

[Sole Traders Guide to Public Liability Insurance | BizCover](#)


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## GET READY FOR TAX TIME

You will not have an employer who will automatically take your tax out of your weekly paycheck – you are responsible for managing it.



- Use Sole's Tax Estimator to forecast your tax payments throughout the year
- Make sure that you are putting aside sufficient cash in order to make payments before the end of the year

**RESOURCES:**

[Talk about tax | Sole App](#)

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## MANAGE YOUR MARKETING

Plan your approach for communicating your business to customers

Plan your approach for communicating your business to customers

- Set up a website for your business.
- Create and tailor your brand in order to distinguish your business from the rest
- Build a strong social media presence

**Resources:**

[Free website creator | blog.hubspot.com](#)

[Free design tools | zapier.com](#)

[Social media 101 | business.gov.au](#)


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## BUILD, MANAGE AND LEARN

Be willing to take a chance on new ideas, and to be brave enough to learn from your mistakes when things don't go according to plan. There are a number of great tools available to start ups to help them manage their business with low or no ongoing costs such as:

Take chances, be brave and learn from your mistakes

◆ Jira Software

Atlassian (Jira and Confluence)  
Use these tools to manage tasks, plan your deliverables and formalise your documentation

✕ Confluence

Google Suite

Google Suite (Gmail, Meet, Sheets and more)  
Free for individuals and easily scalable over time



## Keen to get started?

Why don't you try **Sole** for free today and see how it can help kick start the process for you!

**Disclaimer:** All information above is general in nature, and doesn't take any specific consideration about your business into account. Consult with professional business advisors and legal professionals when considering your needs.