



BUSINESS FUNDAMENTALS TOOLKIT FOR FREELANCERS

2022 Edition

Business Fundamentals Toolkit for Freelancers, is a joint project between the National Trades Union Congress and Edgar Analytics Pte. Ltd. It aims to provide basic guidance to the freelancers as they set off on their entrepreneurial journey. This Toolkit does not intend to be end-all resource but to provide a checklist of key considerations and point the way to avenues for further advice and assistance.

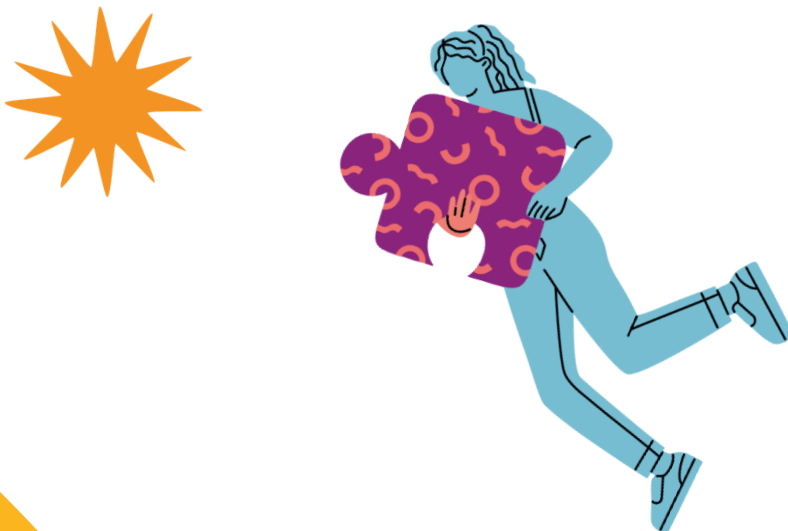
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Overview

Objective – To get you ready to earn the first \$1 as a Sole Proprietor/Freelancer without spending too much money.

The Toolkit attempts "to get you ready" ie. put you in a position to tell the whole world about your business and then to accept your first business for the first \$1. To get you ready to tell the whole world about your business, we have put together an essential list of tips and tools here at zero or low cost.

Once we can put the most difficult first few dollars under our belt, we hope your business would snowball to bigger things from the firm foundation that you have laid.



Who is the Toolkit for?

The Toolkit is definitely for **someone** who wishes to start his/her journey of being an entrepreneur.

That someone could be a recent graduate from school with little or no working experience.

That someone could also be a person with loads of working experience accumulated over the years in a particular industry.

You may also be the someone who has done everything from part-timing at fast food restaurants to being a senior executive of a multinational company and traveled round the world.

But the most important common denominator for all of us here is the passion to get on the entrepreneurial journey. You want to test out a business idea that has been burning in you for years. You want to have more control over your time. Working on a job with salary to pay your bills is no longer that attractive an option for you. You want to start work on bringing your passion to reality.

This edition of the Toolkit will focus on helping entrepreneurs to realise passion in the service industries.

You may be a Maths tutor, music teacher, software programmer, graphic designer, cleaner, etc etc.



1. Can I trade in my own name?

I will use "John Lim" as the fictional freelance in the business of photography as the focal case demonstration in this Toolkit.

If "John Lim" is the name stated in my NRIC, I could immediately provide the photography services in the name of "**John Lim**".

The **key advantage** for this option would be the **ultimate speed and ease** of almost immediately being in business.

As there is no registration required, there is no formal cost to be incurred. This method of doing business in your own name is often used by tutors, personal trainers, web designers etc.

Many were exercising their skills and profession on the side while being employed or even in school before formally going into business full time.

If I do not wish to trade as "John Lim", can I provide my services as "The Tampines Photographer"?

The simple answer is yes.

The question for your consideration - Do you want to register the business name of "The Tampines Photographer" with ACRA?

You have the choice to register or not to register.

If you choose to register the name with ACRA, you could have at least some level of "official formal ownership" over that unique name. You would want that official recognition when you are going to put in so much effort to generate positive goodwill with your customers and market.

For **official registration**, you would be required to invest a sum of money and time to register the entity and to maintain the status of registration.

Please go to www.ACRA.gov.sg with your Singpass for the registration.

At the end of the registration process, you would be the proud owner of a registered entity with ACRA.

Several general advantages of registering a business with ACRA would include greater recognition and discoverability of your business. In some cases, it also allows you to better manage your business risks.

Now that we are clear of the terms, let's get started on walkthrough to register your business in Singapore.

The type of business structure you choose depends on your business needs. To help you decide which is most suitable for your venture, let's look at some of the most common types available in Singapore and what they are best suited for.



2 - What are the other types of business entities I can register with ACRA?

You can register with ACRA for the following entities:

- A) Sole proprietorship (SP)
- B) Traditional partnership (TP)
- C) Limited partnership (LP)
- D) Limited liability partnership (LLP)
- E) Company

A **sole proprietorship (SP)** is a business owned by one person.

The **traditional partnership (TP)** is an association of two or more persons (maximum 20 partners) carrying on business with a common objective to profit making.

A **limited partnership (LP)** consists of two or more persons, with at least one general (ie. unlimited) partner and one limited partner.

A **limited liability partnership (LLP)** is a partnership where the individual partner's own liability is generally limited.

There is no maximum limit to the no. of partners for both LP and LLP.

A **company** is a legal entity separate and distinct from its shareholders and directors. A minimum of one shareholder and one local director to get the incorporation done. The shareholder and director may be the same person. Generally, as the level of statutory obligations increases as the number of shareholders increases.

3 - What are the pros and cons of different entities?

Sole Proprietorship (SP)

This is the **simplest** business entity as it comprises just one owner. It is NOT a separate legal entity. The owner/sole proprietor of the business and business itself is one person.

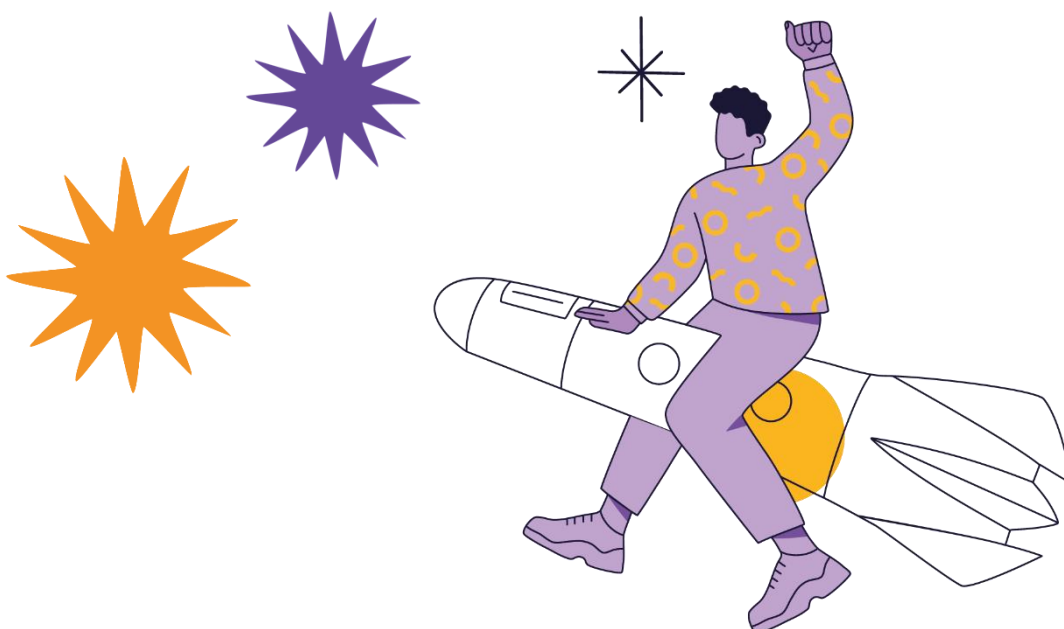
It can own property in the person's name.

Consequently, the sole proprietor would be taking the responsibility of unlimited liability for debts and losses associated with the business. You could sue and be sued in your own name.

The **pro of SP** is firstly on the ease, speed, and relatively **cheap** way of getting into business and low subsequent compliance burden and costs.

Trading as a registered "The Tampines Photographer" (rather than as "John Lim") provides the business owner with the opportunity to build a brand from a marketing point of view. It facilitates **discoverability** of the unique freelancer.

The final pro of being a sole proprietor is that you are the **ultimate decision maker** of all matters relating to your business. You have control over how much time and effort that you want to put in the business, what services you wish to render etc. You are accountable to yourself.



Traditional Partnership (TP)

It is NOT a separate legal entity. You could sue and be sued in the firm's name. TP cannot own property in its name.

Consequently, all partners would be taking the responsibility of **unlimited liability** for debts and losses associated with the business. But the most frightening aspect of TP is that each partner of a TP is personally liable for the partnership's debts and losses incurred by **the other partners**.

The **most important pro** of any partnership format is that the structure allows for persons with different resources to come together and work on entrepreneurial ideas.

Being an entrepreneur is often one on a very **lonely** journey. To be able to share and work with a team of like-minded individuals as the ability to compensate for each other's strengths and weaknesses could provide a critical boost to your business.

Limited Partnership (LP)

It is still NOT a separate legal entity. You could sue and be sued in the firm's name. LP cannot own property in its name.

The **general partner** has unlimited liability while the **limited partner** has limited liability. This specific feature of LP provides the key advantage over setting up a TP.

It would encourage persons who wish to invest and participate on the upside of business ideas but do not wish to take on the potential risks of unlimited liability.

This specific feature would widen the pool of resource providers to support your business while retaining all the pros discussed as per TP above.

Limited Liability Partnership (LLP)

LLP is a separate legal entity from its partners. You could sue and be sued in the firm's name. LLP can own property in its name.

Consequently, partners have **limited liability** except for situations where liability arises from their own wrongful actions. Partners are **not** personally liable for debts and losses of LLP incurred by other partners.

Given these legal features of LLP, we have to consider carefully what type of business would be suitable to utilize this type of business entity. Consider the following scenarios.

Is LLP format suitable for two partners working together at a hawker stall? While it is stated that each partner is responsible for their own action, it is definitely challenging to prove who causes the food poisoning when both partners contribute at various levels in preparing the food for its customers and therefore responsible for the consequent liability.

Is the LLP format suitable for different lawyers working under a common "brand" but exercising their specific legal specialisation on their respective clientele base? So if a particular partner/lawyer makes a mistake in handling a case, only that lawyer in charge would be held accountable while the rest of partners would enjoy the protection of limited liability.

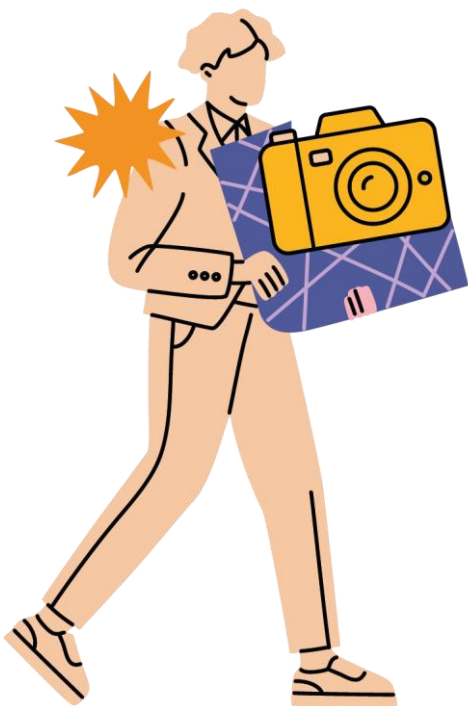
LLP provides for responsible and competent persons to come together to contribute to the building of goodwill associated with the partnership and yet be able to enjoy the benefits of that association too. Each partner in a LLP could be viewed to be running their own business under a common umbrella branding.



How to register for Sole proprietorship or Partnership?

Login to BizFile+ www.bizfile.gov.sg to register a sole proprietorship or partnership. All proposed business owners, including partners or authorised representatives, must endorse their consent on BizFile+ before the business can be registered.

Information required	
1.	Business name
2.	Registered address
3.	NRIC/email address/contact details of all proposed business owners and authorised representatives
4.	Nature of business



Company

A company is a separate legal entity from its shareholders/members and directors. You could sue and be sued in the company's name.

A company can own property in its name.

Consequently, shareholders/members have **limited liability** up to the capital that each has contributed. How about the directors? Directors enjoy the protection against liability except for situations where liability arises from their own wrongful actions.

"Company" has the capacity to own and run **as many businesses** it may wish generally. Shareholders/members therefore are able to enjoy the outcome of all these businesses owned by the Company. In LLP, each partner is essentially the owner of their business albeit operating under and contributing to the common brand name.

How to register for Company?

While I have seen many who attempted to do the registration themselves at www.bizfile.gov.sg, I would strongly recommend that you engage the services of a registered filing agent (e.g. law firm, accounting firm, or corporate secretarial firm) to submit the online application on your behalf.

Information required	
1.	Business name
2.	Registered address
3.	Share capital and no. of shares
4.	Who are the directors? (NRIC/email address/contact details)
5.	Who are the shareholders (NRIC/email address/contact details)
6.	Nature of business

Annual Statutory Obligations

Before we decide to buy a printer for its relatively low **upfront cost**, we also need to consider the **maintenance costs** ie. the cost of printing ink and therefore cost per printed page. Before we decide on which business entity we should use to host our business, we need to consider the time, effort and money needed to fulfill its annual statutory obligations of maintaining it. Generally, the annual statutory obligations would increase as we move from sole proprietorship to company.

The more capital intensive is your business, the greater the number of investors, the more complex is your nature business, the higher the inherent risks associated with the business and industry, it would be more appropriate to adopt the business entity types with limited liability feature and matured rules and regulations governing its operations ie. LLP and company.

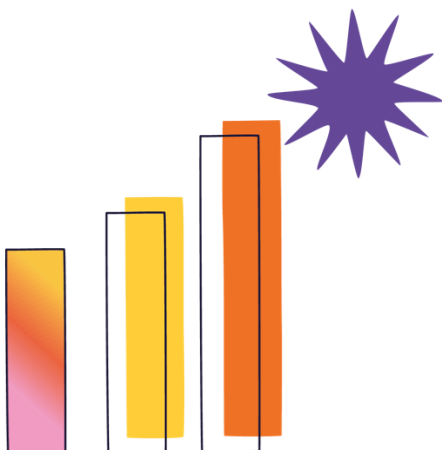
We are reasonably confident to say that all the business entity types would have to deal with these **three statutory boards** in Singapore:

- Accounting and Corporate Regulatory Authority (ACRA) - www.ACRA.gov.sg
- Inland Revenue Authority of Singapore (IRAS) - www.IRAS.gov.sg
- Central Provident Fund (CPF) - www.CPF.gov.sg

As to whether **other statutory boards** would be involved would depend on your nature of business and licensing requirements.

For sole proprietors and partners who are individuals, you would have to deal with CPF Medisave Top-up for renewal of registration.

Please work with suitable professionals to manage statutory obligations of your company.



Taxes

Shareholders/members would receive dividends paid out of profit earned by the **Company**. Company's profit is taxed at corporate tax rate. Generally, dividends received from a company are exempt in the hands of recipients.

For **sole proprietorship and different types of partnership**, profit is distributed to and reported in the sole proprietor/partner's name.

If the sole proprietor/partner is an individual, then the profit would be taxed at personal income tax rates.

If the sole proprietor/partner is a corporation, then the profit would be taxed at corporate tax rate.

Continuity in Law

In this section, we will briefly discuss the consequence of the sudden demise of the business owner/partner/shareholder of the respective business entity types.

- **Sole proprietorship** – It exists as long as the owner is alive and desires to continue the business by completing the annual registration requirements
- Traditional partnership and Limited partnership – It exists subject to partnership agreement.
- **Limited liability partnership and Company** – It has perpetual succession until wound up or struck off.



Closing the Business

In this section, we discuss the administrative burden of closing the business.

- **Sole proprietorship** – The owner could decide to cease the business at any time. The Registrar could also cancel registration if not renewed or when the Registrar is satisfied business is defunct.
- **Traditional partnership** – Partners may also decide to cease the business at any time. The Registrar could also cancel registration if not renewed or when the Registrar is satisfied business is defunct.
- **Limited partnership** – The general partner may decide to cease the business at any time. The Registrar could also cancel registration if not renewed or when the Registrar is satisfied business is defunct.
- **Limited liability partnership and Company** – The entity may close the business through striking off or winding up. Striking off would be more efficient and effective for entities which have ceased its activities and all assets have been utilised to pay its liabilities and equity.

If your business is experiencing ongoing issues, you are encouraged to seek professional help as soon as possible.



4. What are some of the things to consider in naming the business entity?

Here are some features for your consideration in naming your business:

- Alphabetical order
- Nature of business
- Unique name
- Is it available for domain registration?
- Do I want to include "Singapore"?
- Is it suitable for the intended target market and image that you are projecting to?

Example of **alphabetical order** – Abby Photography vs Zepher Media.

You should consider whether it is important for your business to be at the top of the list or further down that particular list.

Example of including your **nature of business** in the business name – eg. "Asiafirst Photography". Essentially you are informing the market the exact nature of business. This approach would actually facilitate your prospective customers to locate you and your business more efficiently and effectively through various search engines such as Google.

The disadvantage of having a name like "Asiafirst Photography" is that the words are too generic. If you wish to build a brand around that name, it could be challenging for you to defend the right to the name. Prior to Facebook started using "Facebook", it is definitely not a word you could find in the dictionary or used as part of our day-to-day vocabulary. So if you wish to invest in name that could be protected, I would definitely suggest coming up with something more **unique**. By putting a "1" in "**Asiaf1rst Photography**", we have created an unique name for our fictitious business.

Should I check **domain name availability** before I finally decide on using the proposed name as my business name? If you wish to conduct an overall check as to whether anybody in the world is using that proposed name, you could do the following search at:

- domain registration providers such as [Namecheap.com](https://www.namecheap.com) or [GoDaddy.com](https://www.godaddy.com);
- Google and;
- ACRA.gov.sg

Finally, let us consider whether you wish to **include “Singapore”** as part of your business name eg. Asiaf1rst Photography (Singapore) Pte. Ltd. Singapore, as a country, is known for its many merits such as beautiful country, efficient and effective governance etc. Through the power of association and that you are informing your prospective customers that you are a Singapore-registered entity, the inclusion of “Singapore” should further add value to your business proposition. The association effect may actually benefit certain types of businesses such as those with intent to go overseas.



5. Registered address vs customer-facing address

You are required to provide an address for your business during registration with ACRA.

This is the **registered address**. The registered office address refers to the **place where all communications and notices to the business may be addressed**, and the place where the company's or LLP's register and records are kept.

As an approved tenant or flat owner, you are allowed to register your business with your residential address. You are however required to seek approval from landlord and the relevant authorities such as URA or HDB where applicable.

If you do not wish to use your home address for registration, the options are as follows:

- use the address service of serviced office
- ask permission before you use your friend's business address

The registered address is usually assigned for a more formal purpose of receiving official communications and notices. The **customer-facing address** may be the address where you put on your name card, website and marketing collaterals. It is the address where you are interacting with your customers.

In the business environment of today for service-oriented entities, is a customer-facing address important? As a freelancer providing services at homes and offices of the customers, the physical address on the name card may not be essential at all.

So what do you think is critical?

6. Mobile phone and Mobile number

Mobile phones are a vital piece of business equipment for many business owners and their staff. The many apps and functionalities within a mobile phone offer both substantial opportunities, advantages, and challenges.

Using mobile phones in business can boost productivity, mobility, and interaction with all stakeholders.

Mobile phones can help you to:

- improve customer service from initiating work to facilitating payment upon completion,
- remain in contact with the office, customers, and suppliers on 24/7 basis,
- increase productivity,
- work remotely (eg. work from home or away from an office),
- and much more.

Significant **business challenges** can emerge from using mobile phones for your business.

- You must be prepared for a **compromised** work-life balance. Depending on your nature of business, 24/7 availability may exert significant pressures on your personal life if you respond to calls/WhatsApp or WeChat messages outside normal working hours. We may use technology to help to mitigate the negative effects.
- We have to consider the **costs** of providing mobile phones to yourself and/or your team. But it is a necessary investment in the current post-Covid world we are living in.

7. Email address

In addition to mobile phone and mobile number, the next important component to your business is the email address. We will discuss both the free option and the paid business version for your email address.

The **importance of email in business communication**, regardless of paid or free, cannot be underestimated. **Firstly**, it also provides the business with an auditable trail of all outgoing and incoming communication between you and your employees, suppliers, customers etc. Rather than being lost under piles of paper, email communication allows for the flow of information to be dated, recorded and preserved so that there are no issues with miscommunication.

Secondly, the email address, regardless paid or free, would subsequently be an invaluable component of your marketing machinery and operations. Email marketing also allows businesses to distribute information about their products and services to both current and potential customers immediately. Rather than having to plan a campaign well in advance in order to maximize response, email marketing can announce next or same day promotions in real time.

While **free email addresses** may be able to satisfy almost all of the importance of business communication, this option has several significant **shortfalls**. Firstly, they fail to identify your business. A business email service enables you to send emails through your own domain ie. both your name and business would be visible when appearing in someone's inbox. The paid business email would make your business look professional and appear more trustworthy. This is an especially critical antidote to the prevailing phishing problem.

A paid business email address, used as part of your marketing machinery, would allow your business to achieve the following:

- exercise control over brand alignment,
- serves as a calling card when targeting potential new clients, and
- increase traffic to your website since your domain will be directly listed in your email address.

A paid business email address, used as part of your operations, would allow your expanding business to scale with dedicated customer service, security and support.

Given the importance of a paid business email address, it is naturally important for you to secure the domain eg. .com and/or .sg.

Despite the overwhelming benefits of paid business email addresses, the free option is still viable during the interim prototyping phase of testing your market.

Assuming we are to use Gmail as our free option, here are some suggestions on how to increase mileage of it for "Asiaf1rst Photography".

- **Asiaf1rst@gmail.com** (encouraging your customers and suppliers to remember your business name)
- **Asiaf1rstPhotography@gmail.com** (encouraging your customers and suppliers to remember your nature of business too)
- **Photography@gmail.com** (very easy for your customer to remember your email address but may not be available)

While Gmail is a free service, have a think through at a **strategic level** before you start using and promoting it to your market. It would be very expensive to change it later after you have been using it for a while.

Despite the proliferation of social media, a business email is still the most effective form of communication. So should businesses ignore putting any resources in increasing business through social media?



8 - Secure your social media assets in social media networks

Let's start with one simple fact: your business needs a social media presence. It doesn't matter if you run a small local business or a big multinational entity. Social media is more than just a trend. It is an essential piece of your business marketing strategy.

Our most critical objective for this section is to encourage you to go and secure the social media assets for your business. If you do a search on the importance of social media to a business, you will get enough materials to read for weeks.

We will however summarise some of the key benefits to justify your time and effort to it.

We will show you some examples for you to think about as you work on your own social media assets.

In this Toolkit, we will thus not focus on strategies for content development nor traffic building to these social media sites. But by itself, social media is not enough to drive business growth. Social platforms can help you connect with your customers, increase awareness about your brand, and boost your leads and sales. But you need to start with an always-on mindset and a solid content marketing strategy.

Here are some things you can try out yourself to realize that social media is a wise business move.

1. Get Attention and Build Awareness about your Business

Before anyone can become your customers, they need to know you exist. Social media boosts your visibility among potential customers, letting you reach a wide audience by using a large amount of time and effort. And it's free to create a business profile on all the major social networks, so you have nothing to lose.

2. Communicate Authority on the Subject Matter

Customers are increasingly savvier and more discerning about which businesses they support. Before making a decision, they'll do a quick search to browse your website and social media. Through the various social media networks, you now have the opportunities to demonstrate your expertise.

3. Show Authenticity

With the right content, customers would be able to get to know you and your business personally.

4. Encourage Engagement

Social media networks provide the platform for conversation with potential and existing customers to build relationships and customer loyalty.

Social media platforms have successfully broken down barriers between businesses and their customers. Customers can now provide feedback directly to the businesses instead of calling a customer service line.

5. Grow Affordably as per Objective of this Toolkit

Social media networks make available some level of their marketing infrastructure to businesses on a complimentary basis. To many businesses, the free portion would be more than sufficient for small businesses to get going at little or not cost.

Trust that you are convinced by now social media networks would be an important component to your marketing machinery. Let's now move our discussion on securing your **social media assets**. We will use our Facebook assets to demonstrate.

Firstly, go register a Facebook account.

Then you can proceed to use keywords strategic to your business to create the Facebook groups and pages.

In our fictitious business, John Lim is the sole proprietor of "Asiaf1rst Photography".

John Lim could proceed to register for a Facebook account in his name.

John could subsequently create Facebook groups and pages with the following keywords:

Facebook group as "Asiaf1rst Photography" (fundamentally we should lock down our own business name)

Facebook pages on photography terminologies such as "aperture", "camera", "DSLR", "lighting", "shuttle speed", etc. When Facebook users are looking for solutions in photography, they would be typing those words that would describe their problems in their searches. You have to "own" those keywords so as to secure first opportunities to engage these potential customers on their problems. These keywords to the groups, pages and accounts have thus become your social media assets.

After you have done that with Facebook, do move on to the other social media networks such as **Instagram, Wechat and LinkedIn.**

While there is a desire to try to secure as many keywords as possible and consequently create many groups, pages and social accounts, we also have to be aware of the need to develop content for and interact with users in all these groups, pages and accounts. But do we have the bandwidth to manage all these groups, pages and social accounts while concurrently running the business?

In essence, we must exercise our judgment as to how many groups, pages and social accounts we could handle with quality and due care to deliver the referrals to achieve our business objectives.



9. Name card

The name card represents your business and what it stands for. It tells someone what you do AND how they can get in touch with you. It shows off all your branding essentials: The name of your business, your logo, and your tagline. A good name card tells people something about you that isn't written on the card: It speaks to your level of professionalism and preparedness.

Those are some words we cited from Google search. Do I agree with the purposes of a name card? The purpose of the name card is to put your contact details in the hands of people that you hope will contact you soon. Hope?

Often the name cards that I have collected would go into the name card box/drawer. Or I could take a step further by typing the details on the name cards into my Gmail address book and toss the cards away.

The above cynical depiction of a name card journey to the dustbin should firstly put the effectiveness of name cards in its current form into question. Secondly, are there alternative means of achieving the ultimate objective of encouraging your newly met acquaintances to start interacting with you and enroute to a business relationship?

The effectiveness of a traditional name card depends on what your business does with the contact information you have secured. Instead of the collected name cards just sitting there and waiting for the newly met acquaintances to contact you, will you take the initiative to send the first message to introduce yourself? While the name cards may still be useful for certain businesses and circumstances, we should explore alternative options.

What would our fictitious business "Asiap1rst Photography" do?

- Instead of the usual name card, could we **expand the basic name card** to include the product/service menu of our photography?
- Using the mobile phone that we have discussed, focus our effort in securing prospects' name and mobile number/email address and follow up with **WhatsApp/WeChat/email** an introductory message of your contact details and what you do. A marketing guru has also encouraged us to do a short **1-minute video** and WhatsApp/WeChat/email it to your prospects.
- Can I consider giving **fridge magnet** as my name card to my prospects? By nature of our business, when we are needed to solve an issue, our contact details have to be top of mind or convenient to find. So a fridge magnet with our contact details in the kitchen may fulfill all that.

For those in the consulting business, we have also seen how to use **a book written by you** as your name card to open doors to opportunities.

Conclusion – Name card is only as useful with you, the service provider, as with the contact details secured.



10. Opening a separate bank account for business?

The simple answer is a whopping yes!

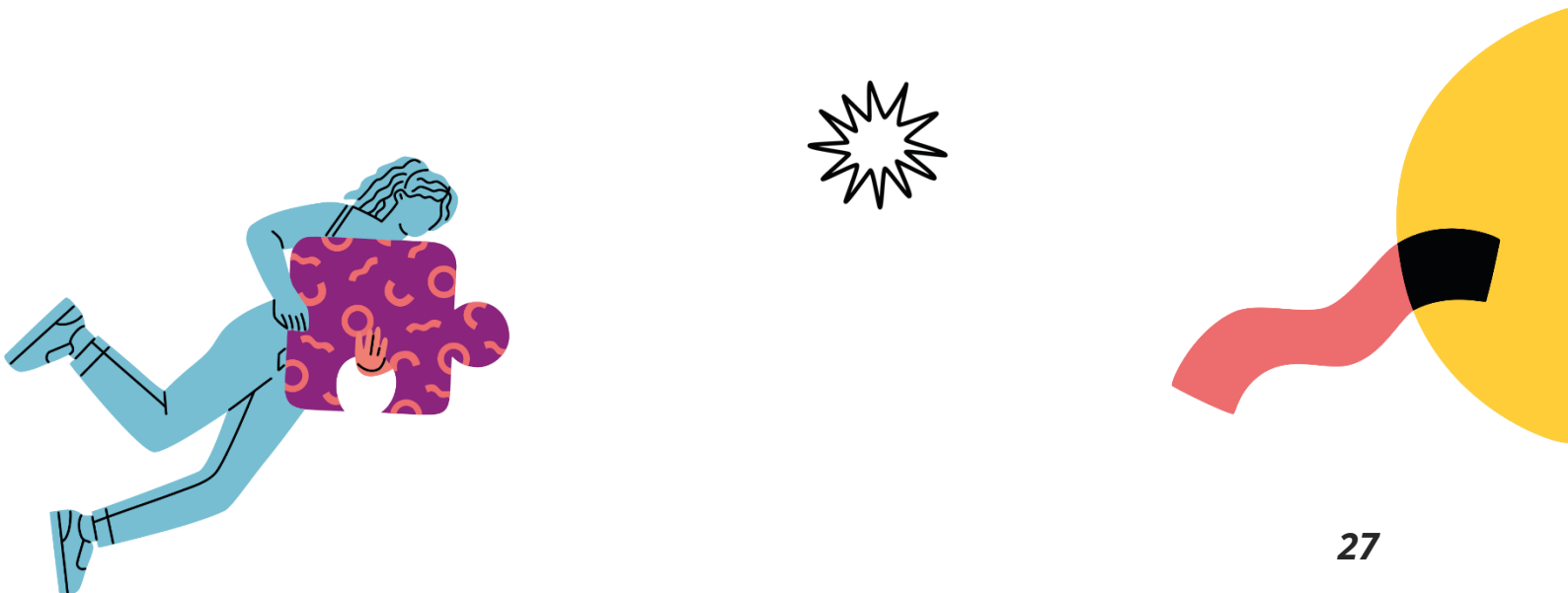
There are many advantages of keeping your personal and business bank accounts separate.

Mixing one's funds with the proceeds of a business is a tempting prospect. You only have to remember one set of login details to one bank account to see both personal and business transactions. For many new business owners and freelancers, this approach allows them to have a much simpler time when banking. However, situations may arise where mixing business funds with personal funds can lead to a complicated mess. While the actual business of banking is easier today, things like account-keeping, tax reporting and separating business expenses from private expenses could come back and bite you in the future!

Let's briefly review why you should always keep your business and personal finances separated.

Cleaner Tax Audit

Whether we are operating as a photographer, private hire driver, property agent, tutor, we have to report to the Inland Revenue Authority of Singapore (IRAS) the net earnings we have earned. While we do not expect IRAS to select any of our tax returns for audit, we should always have to be ready to account for our earnings. Many audits on small businesses may start with a specific request for you to submit bank statements to the IRAS. Do you really want to submit your personal financial information if you do not have to? Separate finances make for a cleaner tax audit.



Building Business Credit Score

We have a client who wanted to borrow from the bank to fund their expansion in the early part of their growth. The bank only offered a loan quantum of \$20,000. Even though the amount offered was too little to do anything with, the client accepted our advice to accept the loan and subsequently completed the repayment schedule. That nice repayment experience of the client as locked into the bank's system facilitated loans in a bigger quantum in recent years.

Although it may feel easier to mix personal and business finances to start, the fruit of your patience in managing separate bank accounts could be harvested in abundance in later years.

Clean accounting for better overhead and revenue tracking

Combining personal and business finances only helps in the short term. When you file taxes, you'll want to make sure you have clear separation on what is a business expense and what is a personal expense. It's important that things are being tracked correctly in the event your business is audited, and you'll also want to clearly track overhead and revenue so that you can gauge business viability.

Facilitate planning through improved budgeting and forecasting

While it may seem convenient to combine business and personal accounts, it's best to account for each independently for the sake of budgeting, forecasting, and tracking your business expenses.

Discipline And Clarity Around Cash Flow

Clarity around business cash flow will help you make smart choices about where to spend money, and enforces discipline when dipping into personal assets for business needs.

11. Invoice template and key attributes

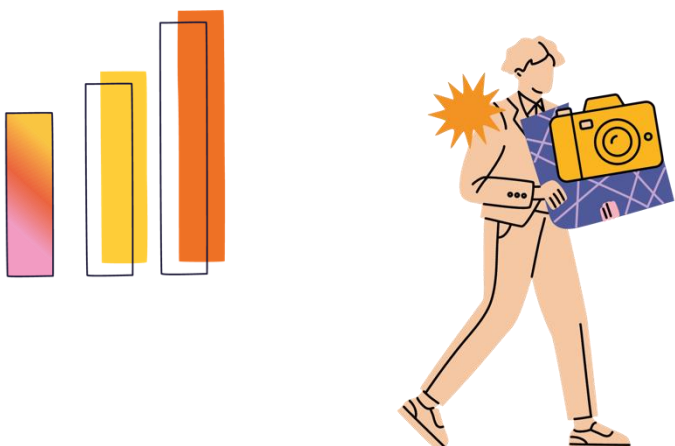
We have prepared a sample invoice for you to download.
Please refer to details of download later.

All the information as presented in the picture is considered essential information.

Customer details could however be simplified to just a name with a mobile number stated.

Asiaf1rst Photography			INVOICE
UEN: 20XX12345W 123, Sunrise Avenue Singapore 123456.			
Sold to:- Mr. Joe Tan Blk 456, Anywhere St. #03-21 Singapore 234567.		Invoice No.: 20220001 Date: 1 Jul 2022	
Quantity	Description	Unit Price	Amount \$
		Total	0

This invoice requires no signature.



12. Financing options

A reminder on the objective that we have done this Toolkit.

Objective – To get you ready to earn the first \$1 as a Sole Proprietor/Freelancer without spending too much money.

Given the target entrepreneurs and your nature of business being in service-oriented industries, we do not expect significant upfront investment to set up to earn the first \$1.

While it may not take too long to earn your first \$1, we should however be realistic that it may take some time for your business to breakeven or more importantly to replace your last employment income or to reach a level sufficient to pay your existing bills.

We do advise our new entrepreneurs not to take the **cold-turkey approach** of giving up your full-time and jump straight into business unless:

- you have substantial savings to tide you through the lean months, or
- you have secured or confident enough to secure assignments to maintain your basic existence.

We do advise a **transition approach** ie. maintain your full-time job and work on your gig in the after-office hours or during weekends.

For some of us who may not have the options above, we do have to talk about some level of financing. Where could we turn to for probable sources of financing?

- Family and friends circle – This is the most likely source of success in securing financing as they know you.
- Banks and finance companies – Little or no chance of securing financing for businesses with less than two years of operation based on our experience.
- Private investors – These investors could come in the form of your ex-colleagues, previous clients/suppliers of your employer that you have interacted with etc. These investors know you and they believe in what you intend to achieve.

13. Using Excel to keep record of your income and expense

Click [here](#) to download the sample invoice and bookkeeping templates and watch a simple video on how to use it.

Alternatively, you may wish to use the version proposed by [IRAS](#).

14. Checklists

	Yes / No / Not applicable
Have I secured the things I need to earn my first \$1 from my client?	
Trade in my own name?	
To register a business with ACRA?	
What is the proposed name of my business?	
What is the registered address?	
What is my business mobile number?	
What is my business email address?	
Have I secured my social media and domain assets?	
Do I need to design and print my name card? Or a digital product/service brochure?	
Have I open a business bank account?	
Have I got my invoice template ready?	
Do I have enough funds to sustain my business during the trial periods?	