



Guide from CLEAR HOUSE ACCOUNTANTS

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Setting up an office

In a well set-up office, the equipment, systems and environment all contribute to making you and your business more efficient.

Planning it properly from the start is the best way to make sure your office has what you need.

1. Furnishing the office

Start with a basic minimum of furniture and equipment

- A standard desk, with an adjustable (height and back support) chair, on castors, suits most people. An L-shaped desk can be better for using a PC.
- Look through an office supplies catalogue to work out what you need.
- Auctioneers hold regular sales of furniture. Search online for 'auctioneers and valuers'.
- If you rent space in a business centre, basic furniture is often included in your licence fee.

Plan your office layout for efficient working

- Organise the office to minimise the time wasted moving about.
- Store frequently used equipment and files in easy reach.
- If you have employees, place those who work together close to each other.

If you expect visitors to come to your office, think about their requirements

- Will you need a separate meeting room?
- Do you need visitors to be impressed by comfortable surroundings?

2. Communications

Make sure you have enough telephone lines and extensions

- Shop around for a supplier to save money on calls.
- If you decide to work from home, think about swapping your home phone for a business line.

Email is a necessity for any business

- It allows you to send attachments. As well as word-processed documents, you can send images, spreadsheets and software.
- Most customers and suppliers will expect to be able to contact you by email.
- If you have a website, provide an email response facility.

There are several options when it comes to acquiring communications equipment

- Most types of equipment can be bought, rented or leased.
- Suppliers can be found online. Shop around, especially for bargains in second-hand extension phones and small-business phone systems.

Think about how you make sure you are contactable

- Being available is essential for start-ups. Consider the range of services and devices you can use to ensure that you can always be reached.
- A mobile phone allows you to be contacted at all times. Call charges can mount up but there is a range of tariff structures, including pre-pay deals, to suit most businesses.
- Call waiting alerts you during a call if another caller is trying to reach you. You can switch from call to call and back. Most service suppliers charge for this.
- Call diversion lets you redirect incoming calls. There will be a standard charge plus the cost of the diverted calls.
- Update your voicemail message to include your business name. Remember, some callers may not like leaving messages.

3. Office equipment

The time saved by having the right equipment in your office will more than justify the cost.

Most start-ups find that a computer system pays for itself within a year

- Email makes it possible to send documents, files and images directly to customers and suppliers instantly. This means that in many cases it is no longer necessary to print, copy or post hard-copy documents.

If you need a photocopier, choose one to suit the expected copying workload

- Many small businesses can use an all-in-one printer for everyday copying, and use photocopy shops for larger numbers of copies.
- If you lease a copier, check the maintenance charges carefully. Watch out for expensive maintenance commitments, buyout clauses and minimum usage contracts.

You may be able to save time and money by investing in basic postal equipment

- Buy a set of postal scales to avoid frequent trips to the post office.
- A franking machine saves time by automatically stamping your mail. Rental costs start from around £5 a week. Royal Mail can give you the names of recommended suppliers.
- If you use stamps, keep them in an indexed (1p, 2p etc) stamp book.

A dictating machine can be a cheap and efficient way of recording information

- A smartphone may be a good alternative for occasional use.

You may want a scanner

- Many businesses find that an all-in-one printer is adequate for occasional scanning.
- A scanner with optical character recognition (OCR) software can be a good investment, if you routinely need to retype large volumes of text.

- Test any model you are thinking of buying by trying it out on a document that is typical of your workload. You are likely to want a flatbed scanner which is fast, with high resolution and a good OCR software package.

Consider the alternatives before buying any item of office equipment

- You might be better off using an outside service.
- Some business centres provide office equipment for a higher licence fee.

4. Stationery

Your stationery is an important factor in creating your business image.

All your stationery should have the same style

- It should all use matching typefaces, design and paper – or card – quality.
- Choose a clear, easily read typeface.
- Paper weights range from 80gsm (grams per square metre) to 120gsm. Card varies from 180gsm to over 300gsm. Is heavy, 'quality' stationery important for your image?
- A recognisable logo or slogan can help to build up your company image. But these are not high priorities for most start-up businesses.
- A good printer or designer will be able to advise you and show you samples of previous work.

Letterhead stationery (A4 size) is used for letters to customers and suppliers

- Include your business name, address (including postcode), phone and fax numbers, and email and website addresses.
- By law, you must include names of the sole trader or of all the partners, or the full company name – unless this is the same as the business name. A limited company can add either all or none of the directors' names.
- A limited company must show the registered number, the registered office address and the country of registration.
- Businesses registered for VAT must show their VAT number on invoices.

Compliment slips are a cut-down version of your letterhead

- They give all the basic information (but omitting details like registered office) on a smaller piece of paper – usually the same width, but one-third the depth.
- They are useful – and economical – for sending brief messages and cover notes.

Think about invoices, receipts and statements

- If your business only issues these occasionally, you can use your letterhead with an appropriate heading inserted below it.

Business cards give customers and other contacts a record of your name and details

- Use a standard card size.
- Your name (including first name) and job title (eg managing director) should be given prominence. You may want to add any relevant qualifications.
- Include your business's name, address and telephone number as well as your mobile phone number, email and web address.
- Business cards in black ink only are the cheapest version, depending on the type of card used.

5. Stationery costs

The cheapest option is to laser print your stationery

- Once you have the design for your letterhead, you pay only for the paper plus the cost of printing. However, your stationery will lack the quality and image of professional printing.

Many printers offer business 'starter packs'

- These can include 1,000 letterheads, 500 compliment slips and 250 business cards for a fixed price.

For complete flexibility, find a print shop or commercial printer to work to your specification

- Prices vary and will depend on quality. The larger the order, the lower the unit cost will be.
- Calculate additional costs for typesetting and special design work (eg producing a logo).
- Check for A4 paper prices; they are typically quoted per a ream (500 sheets).
- Printing letterheads will be more expensive for the first 500 but will reduce with each extra ream.

6. Working from home

Many start-ups find setting up an office at home the most attractive option. It is cheap and handy, but there may be drawbacks.

Is it legal?

- It should usually be possible to use part of your home as an office without incurring tax liabilities.

Will it provide the right working environment?

- It can be difficult to discipline yourself to be productive.
- Take yourself seriously. Even if you work only a few hours a week, remember you are running a business.
- Establish a work space. It will be easier to concentrate on work once you enter that space, and to switch off when you leave.
- Separate 'at work' from 'at home'. Discourage social phone calls and domestic interruptions during your working day.
- Arrange your work patterns to fit in with the family and set working hours during which you are not to be disturbed. Outside working hours, give family and friends your full attention.

Will working from home provide the right image?

- Do you expect visitors to come to your office? What will they think? Could you arrange to visit their premises or hire a meeting room instead?
- Will your address be suitable? Should you use a mailing address? Business centres often offer a 'virtual office' facility, receiving post, telephone calls and faxes on your behalf and then forwarding them on to you.

What are the financial implications?

- An appropriate proportion of bills (eg electricity) can be treated as business expenses and offset against tax. There may be other tax implications. Ask your accountant for advice.
- Unless you claim mortgage payments or rent against tax, you should not usually be liable for uniform business rates (UBR). If part of your property is used wholly or mostly for business, you may be liable.
- You must tell your insurers you work from home (and change the insurance on your car, if you use it for business). Otherwise, your insurance may become invalid.
- You may be required by law to take out public liability insurance. If you employ people – even part-time workers – employer's liability insurance is compulsory.

This should not be used as a definitive guide, since individual circumstances may vary. Specific advice should be obtained, where necessary.