

Start-ups

Helping entrepreneurs and business start-ups take off





A fresh perspective that helps you stay one step ahead

True success comes from working with a partner you trust to provide the insight, support and expertise that will propel your business forward. Working with Grant Thornton means you can count on results, partnership and leadership.


Founded in 1975, the Malta firm became a Grant Thornton member firm in 1991. We have been building our momentum for over 40 years, garnering hands-on experience thanks to the trust placed in us by our clients, offering a range of services that promise to stand the test of time.

As a €4bn global organisation of member firms with 42,000 people in 130 countries and growing, our brand is respected internationally as one of the major global accounting organisations recognised by capital markets, regulators and international standard setting bodies. Privately owned, public listed and government based clients come to us for not only our technical skills and industry capabilities, but also for our different way of working. With this comes a real opportunity to make a difference around the world.

We focus on providing a full range of services including assurance, tax, advisory, specialist financial services, corporate, secretarial and administrative services to clients ranging from public companies, multi-nationals and government agencies to entrepreneurial businesses across a broad spectrum of industries.

We combine award-winning technical knowledge with the intuition, insight and confidence gained from our extensive sector experience and a deep understanding of our clients. We have the scale to meet our clients' changing needs, alongside the insight and agility that helps them stay one step ahead. Our partners and teams invest the time to truly understand our clients' business, giving real insight and a fresh perspective to keep them moving forward.

We have the autonomy and flexibility to adapt our client service to best fit our local and global clients' requirements. We work to ensure that our clients get a tailored service and that we truly understand their business - as if it were our own.



Turning your inspiration into reality

You have a great idea and are ready to begin building your business, but how do you know where to start? What steps should you take to maximise your plan's potential?

Most management literature will take your strengths for granted and focus on addressing your weaknesses. At Grant Thornton we focus on the strengths of your business, the things that count and the factors that we believe make the difference between success and failure.

It is also important to understand how your business will progress through the different stages of its lifecycle. Each successful stage of the development of a business provides new challenges.

How can we help?

Be it a start-up or a multi-national, we make it our mission to help organisations with great aspirations become more efficient and effective in achieving their strategic goals. Grant Thornton provide expertise through real-world experience in many different industries and environments and we offer effective tools to accelerate the success of your business.

We understand that running a business is demanding. At the end of the day there's limited time to work through strategic challenges. Our team will target these challenges and work through them efficiently, while you focus on the day-to-day running of the business.

We will deliver practical, actionable advice to maximise opportunities within the realities of your business environment.

We offer a comprehensive range of corporate services, ranging from company formations, assistance with obtaining the necessary financing, advisory services, forecasting and conducting the necessary feasibility studies and valuations.

Our multi-disciplinary teams are trained to identify risks, opportunities and improvements for a wide range of business types: international companies, privately-owned enterprises, family businesses, partnerships, non-governmental and governmental organisations as well as private individuals.

"The biggest risk is not taking any risk... in a world that is changing really quickly, the only strategy that is sure to fail is not taking risks."

Mark Zuckerberg, Founder Facebook

"Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. And the only way to do great work is to love what you do."

Steve Jobs, Co-Founder Apple



Strategic planning: defining the big idea

Why prepare a business plan? Planning is fundamental to business success. It is the key to getting things done and making things happen. Effective strategic planning ensures your company focuses maximum effort on the areas that will provide the greatest return. It is an operating tool that will help you manage your business's day-to-day operations and guide you towards success.

Preparing a strategic plan will help you identify potential problems and implement appropriate solutions before they arise. A strategic plan is necessary as it:

- gives business owners a current assessment of the business as well as a roadmap for the future
- helps a business grow both organically and through outside funding
- provides up-to-date business information to secure financing, ranging from an overdraft facility or bank loan, to venture capital funding
- ensures the purpose and vision of the organisation is aligned with practical and measureable actions and results

The focus should be on creating a strategy that is aligned with your business's values and culture, translated into a plan that is easy to understand, inclusive and inspiring.

The resulting strategic roadmap will provide a clear and visible plan that links actions and tasks to your business's vision.

A Fortune Magazine survey found that less than 10% of strategies effectively formulated are effectively executed. This is why you need implementation support to effectively manage the execution of your business's strategic plan.

Benefits of engaging Grant Thornton to help you with your start-up business

We help you to clearly articulate your vision and purpose for the business and provide clarity of direction.

Our process of challenging your business's vision ensures that objectives are identified and addressed through specific actions.

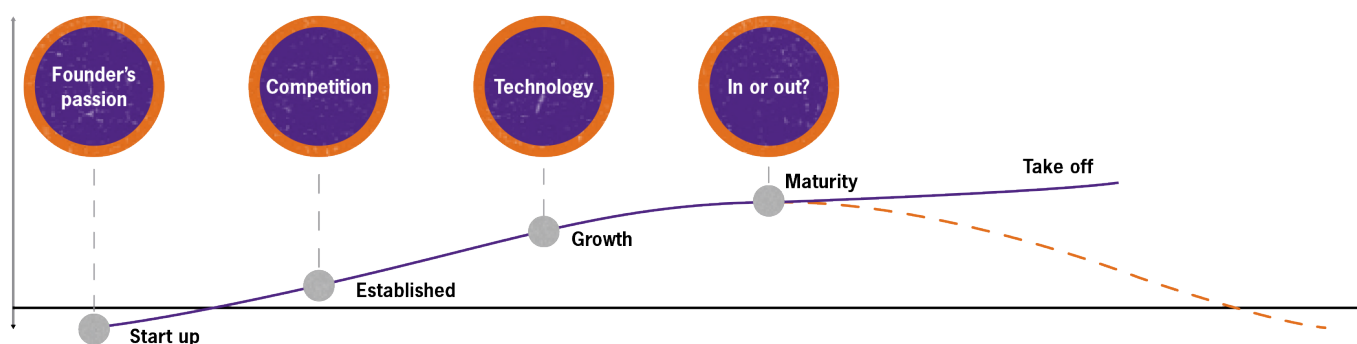
Our inclusive and collaborative process results in high employee engagement, ensuring they understand the plan and are empowered to achieve the objectives.

We provide a clear and simple prioritisation process to ensure that the final plan provides the most effective implementation path for achieving your business's vision, given available resources.

We ensure that a specific and measureable set of performance indicators are established to enable clear and efficient performance management of your business's plan.



The business life cycle: where do you fit in?



Starting a business can be **exciting, challenging, fun, frightening** and **rewarding** – often all in a single day. It can be an emotional time for most business owners.

Start-up stage

Your business deserves every chance to succeed. Grant Thornton has partnered with many new businesses to help them get off to the right start. From the outset (and regularly over time) we guide clients through an intensive strategic planning process. During this time we challenge our client's preconception of the business, where they see their future, their goals and how they expect to achieve them.

Establishment stage

Getting the right business mix and model to meet your aspirations requires strategic planning. Planning highlights important issues that will have an impact on your company's performance. Issues such as structuring, asset protection, financial and working capital modelling and regulatory requirements are crucial to your future success. Most importantly, we challenge our clients to consider the exit stage right from the start. What is the purpose of the business? What is the exit strategy for the owner? The benefits of planning are realised when the owner decides to sell their asset. Creating a saleable business from an early stage will allow you to work to maximise its value at the time of exit.

Growth stage

Grant Thornton understands the need for tailored growth strategies that deliver results. We have a robust appreciation of the factors that govern growth and profitability. A business health check allows the owner to gain an insight into how the business is performing against its goals and previous planning. We also advise on tax planning and asset protection throughout the growth phase. We assist clients to manage cash flow carefully. Businesses that experience rapid growth risk using existing cash reserves to fund that business, ultimately ending up with no cash for day-to-day operations. Our specialists provide solutions and expert advice tailored to your needs, ensuring that you stay out of the red.

Maturity stage

You have built your business into what it is today. You may then question: what else do I want to accomplish? Should I seek additional funding to expand? Do I have the drive to expand my business into new markets, possibly overseas? Have I achieved my business dream? Through a strategic assessment, we identify where your business is and where it is likely to go. Collectively we help you develop a clear plan to achieve your goals. Our unique approach takes into consideration tax planning, structuring, financing, working capital management, wealth extraction and succession issues. Critical to the maturity stage is succession planning or an exit strategy. Succession planning may not be about immediate exit - it is designed to prepare the business for a 'sale' where you determine the timing. It's putting in place the right mechanisms for the business to run profitably and to increase its value.

Structure: get off in the right foot

In the business start-up environment, it is easy and relatively inexpensive to get the structure right at the start.

The alternative is to reverse out of an existing structure at a later date which could result in additional expenses, cause disruption to the business and is generally a waste of an enterprise's resources and time. The most successful businesses are those that are built to grow or sell from the start.

When deciding on a structure the following key issues need to be considered:

- control
- ownership
- taxation
- asset and wealth protection
- exit options and succession strategies

Common structures range from sole trading and partnerships, to companies (with or without limited liability). Each has its advantages and disadvantages and in many situations, a combination of these structures is used by start-up businesses. Grant Thornton company formation team can help you choose the right type of structure that best fits your short and long term aspirations.

Names and registrations

Deciding on the appropriate structure is only part of the process. A name for the new entity and a trading name will also need to be determined. The trading name will need to be registered with the Registry of Companies, managed by the Malta Financial Services Authority. This is to ensure that the intended names are not already being used or are not too similar to the name of an existing business.

When you start up a business, there also several other obligations that might apply to your business, including:

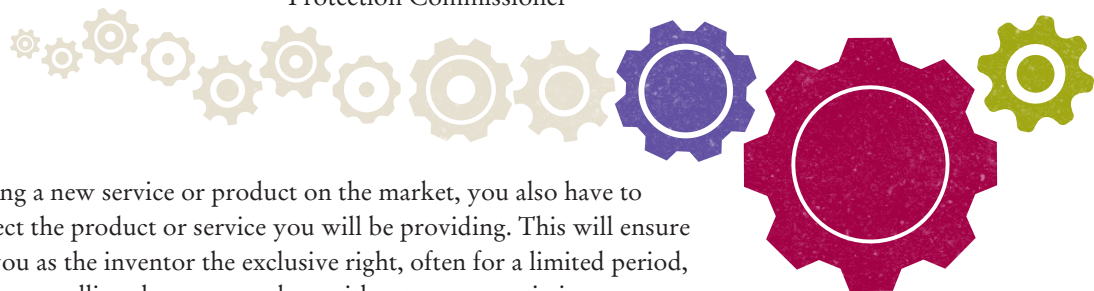
- a trade license, from the Trade Licensing Directorate
- a Tax Identification Number (TIN) from the Inland Revenue Department
- a Value Added Tax (VAT) number from the VAT Department
- a Pay As You Earn (PAYE) number through the Inland Revenue Department, in case that the business has employees
- Register any employees with the Employment Training Corporation (ETC)
- Register for Data Protection through the Office of the Information and Data Protection Commissioner

We offer the full range of services to assist with setting up your business including corporate, compliance, tax advisory and back office services to help your business succeed.

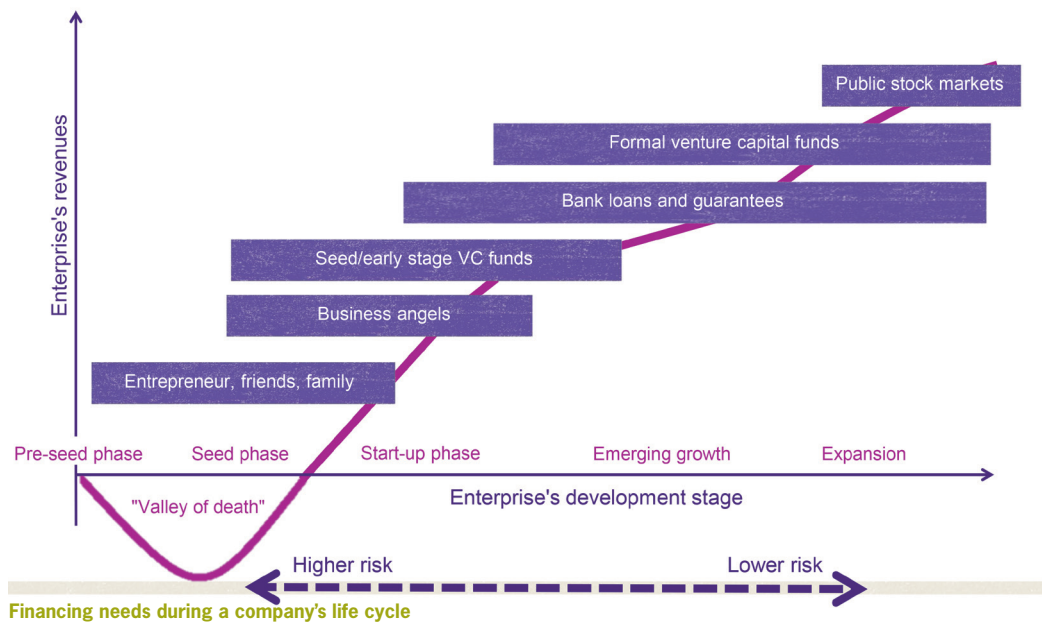
Intellectual property

In the case where you are introducing a new service or product on the market, you also have to consider whether you need to protect the product or service you will be providing. This will ensure that you protect your idea, giving you as the inventor the exclusive right, often for a limited period, to prevent others from making, using or selling the same product without your permission.

When a patent is granted, the invention becomes the property of the inventor. A patent - like any other form of property or business asset - can be bought, sold and licensed. Grant Thornton will help you analyse your idea and see the patents issues and opportunities available.



Cash and financing: the oxygen of the business



Financing and cash management for a start-up is of paramount importance. In most cases, startups don't fail because they are not profitable. It is usually because they have difficulties raising the necessary financing or because they run out of cash.

Your ability to forecast and budget your finances is a crucial step in the strategic planning of your business.

Forecasting

Forecasting is also a significantly helpful tool in deciding on what finances are most suitable for you. Identifying and understanding the alternative sources of finance available to your new business is critically important to sustaining its existence, particularly during the early stages when your new business aims to establish a firm foothold in the marketplace. By helping you draft a thoroughly researched and comprehensively prepared forecast, Grant Thornton can provide you with an effective high level management tool to facilitate organisational planning and goal-setting.

Financing options

As a Maltese enterprise, you have a number of financing options to consider. With the rapid pace of change in the local business scenario, today's entrepreneurs are dealing with more complexity and facing new challenges when it comes to sourcing finance for their business ventures.

At the same time, local financing options have increased exponentially, now also including crowdfunding and angel investor options. One may also benefit from local or EU grants. It is for this reason that, whether it's a new business start-up or an ongoing business concern looking at expanding, when it comes to raising capital, it's important that this is done wisely to minimise the risk of collateral damage.

At Grant Thornton, we don't believe that one size fits all. We also don't believe that there's one financing solution out there for everyone. We do believe however, that when raising funds to support the growth of your business, you need to be aware of all the options available. This is why we're dedicated to working with you to find the right solution for you and your business.

ZAAR
crowdfunding

EU
grants

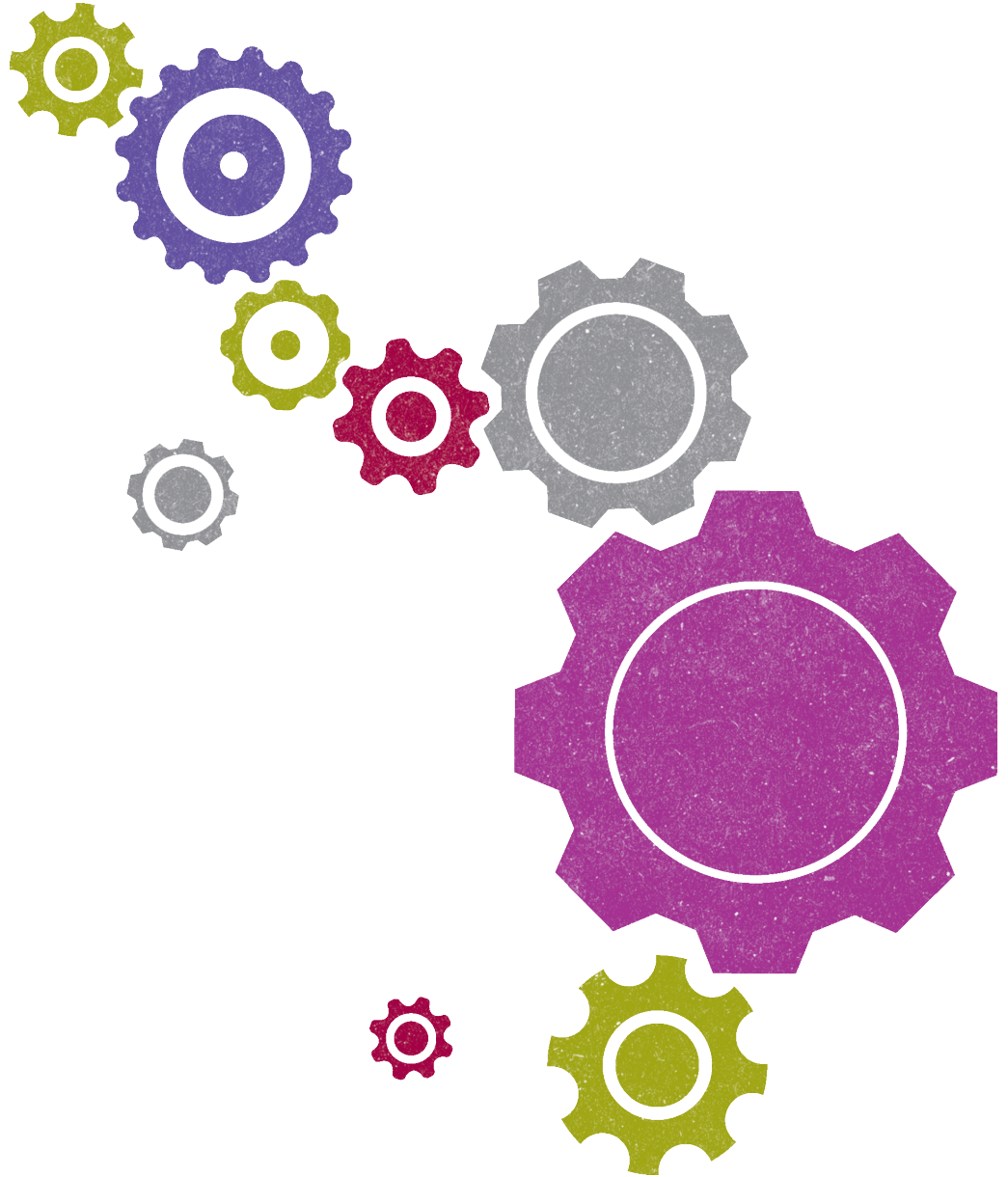
MITA
Innovation Hub
angel investor

PROSPECTS
MSE
market listing

FUSION
R&I funds

MALTA
ENTERPRISE
grants
& support

JAMIE
BOV financing
package



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An instinct for growth™

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