

2026



GUIDE

TO STARTING A BUSINESS

Turning entrepreneurial dreams into successes.

Congratulations – you're on your way towards your dream!

Entrepreneurship means courage, curiosity and a desire to build something of your own. It's a decision that requires both emotional commitment and steadfast determination. This guide has been prepared to support you in the early stages of entrepreneurship and as a reminder that you that you are not alone. You're about to join a group that's changing the world. One idea, one step, one company at a time.

You're reading a comprehensive and up-to-date guide designed to support you on the journey towards becoming an entrepreneur. This is a journey like no other. Entrepreneurship allows you to make an impact and to build and create something new. Entrepreneurship is the courage to seize your idea and make it real. It's an ability to see opportunities where others see challenges. First and foremost, it's a desire to grow as a person, an expert and a builder of society.

Entrepreneurship can also involve questions and uncertainties, but you don't have to deal with them on your own. This guide and the entire Finnish Enterprise Agencies network will support you right now and in every first step you take in the future.

The Finnish Enterprise Agencies network provides advice to thousands of new entrepreneurs every year. Our mission is to ensure that everyone who considers starting a business receives high-quality, free-of-charge and expert advice tailored to their situation at the right time. The start-up guide is part of that mission. It compiles the most important information about starting

a business. This guide provides the information you need across the board: from developing a business idea to registering your business, from financing to marketing, and from managing everyday life to coping as an entrepreneur.

The purpose of this guide is to walk you through the first steps of your journey as an entrepreneur. The guide is not meant to be read just once; we recommend you return it again and again. Think of it as your own little assistant that you can always rely on.

It's a good idea to take time and familiarise yourself with the contents, advertisements, images and QR codes you find in the guide, as each of them offers important information that you'll need on your path towards becoming an entrepreneur. However, don't worry if something doesn't make sense right away. There's a lot to cover in the guide, and the staff at the Enterprise Agency are here to support you as you take your first steps.

I hope that this guide will give you confidence, inspiration and practical tools. Above all, I hope that it will encourage you to take the first step.

Welcome! You are about to start an incredible journey!



ANNELI KOMI
Chief Executive Officer
Suomen Uusyritys-
keskukset ry – Finnish
Enterprise Agencies

Get business advice and ensure the success of your business

Entrepreneurship starts with an idea, but success is built upon support and information. This is exactly what the advice provided by the Enterprise Agency offers. The advice is quality certified and provided free of charge by experts. The ISO 9001 certificate proves that the service meets stringent quality requirements and that it has been developed to meet the actual needs of entrepreneurs.

Advice helps you understand your business idea, plan your business activities and make good decisions right from the start. The advisory service offers concrete benefits, and a common quality management system ensures that the advice is effective, as research has shown that: Companies established with the help of an Enterprise Agency grow faster, employ more people and perform better.

The Finnish Enterprise Agencies network is available to you regardless of whether

you are just getting started or an experienced veteran, an immigrant, a student or an employee. The network provides answers, support and different perspectives. You don't need to have all the answers before you come to see us. It's enough that you're willing to learn and ready to take the next step. We're here to support you on your journey. Find your nearest Enterprise Agency, book a free appointment, and let's move forward together. Sometimes, just one conversation can be the turning point that brings your business idea to life!



Find your nearest Enterprise Agency at and schedule an appointment with our business advisor

[UUSYRITYSKESKUS.FI/EN](https://uusyrityskeskus.fi/en)



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The ISO 9001:2015-certified quality model ensures that 80% of businesses established through the Finnish Enterprise Agencies remain operational after five years. Without this quality advisory support, the corresponding share is only about 50%.



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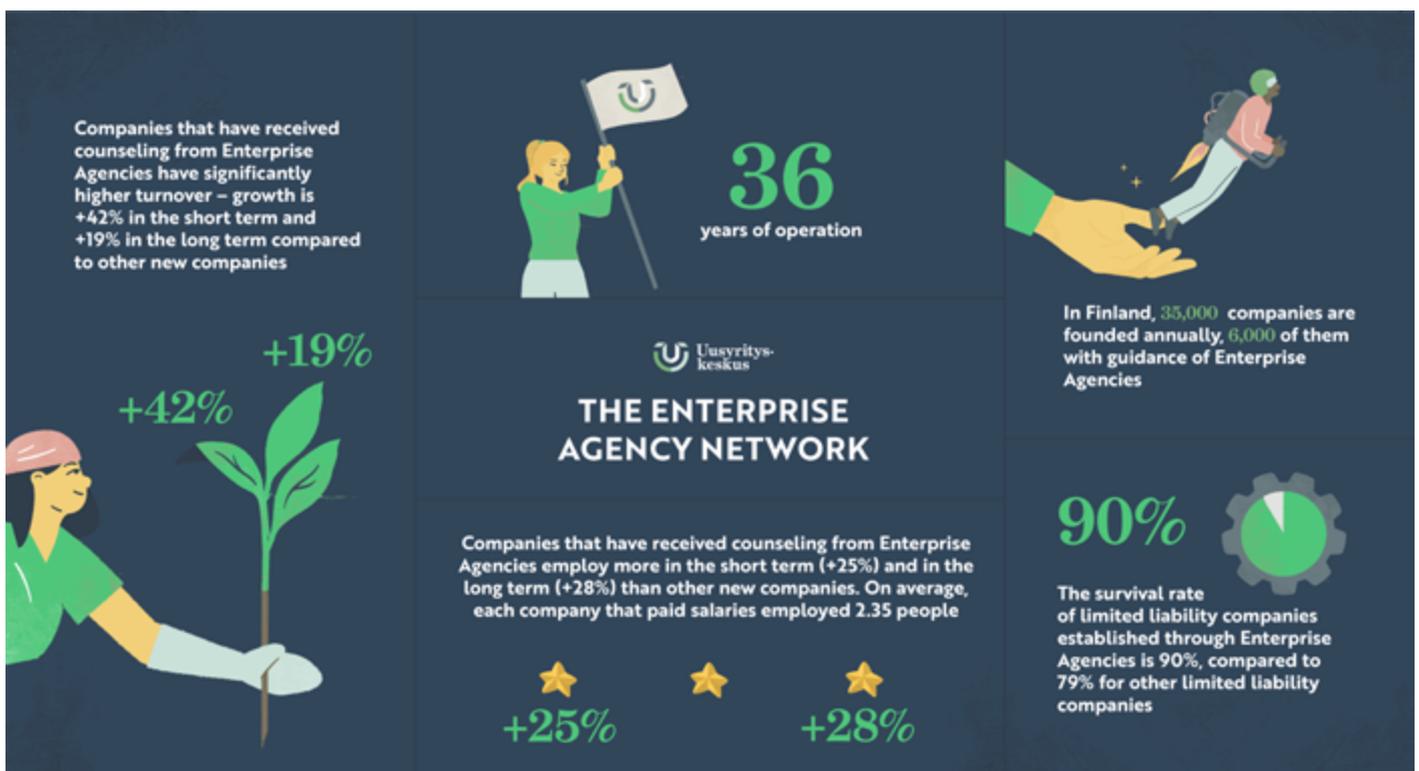
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On our website, you can also find:

- The times and registration links for national start-up information sessions and other training sessions.
- **Ideanappi**, which allows you to test your own business idea before meeting with a business advisor.
- Remember that in addition to these, you have access to a free, confidential and personal start-up advice service provided by regional Enterprise Agencies in nearly 200 towns and cities.
- Contact your local Enterprise Agency even if you only have an idea and nothing more yet – together with a business advisor, you will find the best solutions for your path to becoming an entrepreneur.



UUSYRITYSKESKUS.FI



Your journey to becoming an entrepreneur starts here

This guide is designed to help you as you plan and launch your business, helping you turn your business idea into a profitable company and taking it even further.

You can read it from beginning to end in one sitting and/or revisit different sections whenever you need information, tips or support for your next step.

The guide is split into four parts which are colour coded to make it easier to keep track of your progress.

1. The section **ENTREPRENEURSHIP STARTS WITH AN IDEA** covers matters such as different types of entrepreneurship, the sources of business ideas and what your business plan should contain.
2. The section **THE STAGES OF ESTABLISHING A COMPANY** focuses on, for example, forms of enterprises and the selection of the company's name and business partners.
3. The section **DAILY BUSINESS AND MANAGING IT** provides more in-depth information on matters such as accounting, corporate responsibility and security.
4. The section **CONTINUOUS BUSINESS DEVELOPMENT** provides information on matters such as working as an employer, expanding through an acquisition and the significance of networks.

In addition, the guide contains six inspiring stories about entrepreneurship which show that there is no single path that you need to follow if you want to become an entrepreneur. We recommend you start by reading these first.

A concise version of the guide, or a 'Digital guide', is available at **UUSYRITYSKESKUS.FI**

Turning an enterprise idea into a business idea

Every company starts with an idea. There is always an idea behind a business – a spark that inspires enthusiasm. However, a good enterprise idea is only the beginning.

It all starts with an enterprise idea: the idea of a product, service or operating model that could be offered to customers. This may arise from your own competence, hobbies, customer needs or a solution to a detected problem. The idea can also come something that already exists, like a franchising model or by purchasing an existing company.

However, a good enterprise idea is only the beginning. Successful entrepreneurship requires that the idea is refined into a business idea – a clear description of what you sell, to whom and how. The business idea makes the business operations realistic and profitable and helps you make everyday decisions.

Where do enterprise ideas come from?

Personal skills and interests

Many companies are built on the entrepreneur's strengths. Education, work experience or hobbies can provide a good foundation for business activities. Having skills and passion help keep you motivated when challenges arise.

The idea does not always have to be completely new in order to be successful. It's often enough to implement an existing idea by doing things better, providing higher quality or having better customer service.

Market needs and changes

A good idea may arise by observing the environment: what do the customers want, or what are the opportunities created by new trends or technologies? Population ageing, digitalisation, artificial intelligence and sustainability are also constantly creating new business opportunities.

When evaluating your idea, try to look at it from an outsider's perspective. Be prepared to make changes to your original idea based on customer needs and actual demand.

Inventions – something completely new

Sometimes an enterprise idea can be based on the development of a completely new product, service or invention. Bringing an invention to market is often a long and demanding process that requires expert assistance, market research, and new inventions also often need to be protected with patents, design protection or trademarks.

Franchising

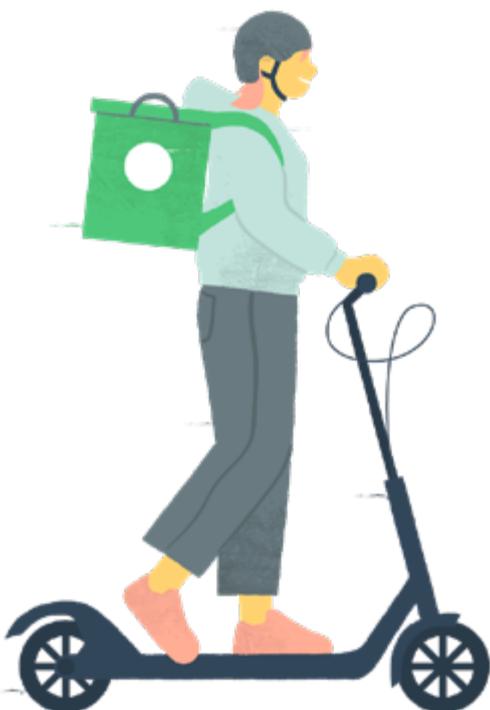
You can also become an entrepreneur by utilising existing concepts. Franchising and running a business that is part of a chain offer a well-known brand and a tested model that you can join by signing a contract with the established owner. As a franchisee, you'll pay a membership fee based on your operating income, which often also covers training and various support services, such as marketing through the network. More information: www.franchising.fi

Changes in ownership provide more options

One alternative worth considering is buying an existing company or its business operations, or to continue a family business through generational transfer. The acquisition provides the customer base, products and possibly also personnel right from the start. Continuing business operations may feel safer than starting from scratch, but it requires careful preparation.

A successful acquisition or generational transfer always require expert assistance. Enterprise Agencies and industry-specific business support services will help you move forward. »

What can you do a little better than others?



If you're interested in a corporate acquisition or generational transfer, consider at least the following:

- What am I buying? The entire company, its business operations or part of it?
- What is the actual financial standing of the company?
- How extensive and permanent is the existing customer base?
- What contracts will be transferred as part of the acquisition/generational transfer?
- What are the future prospects and risks of the sector?
- How is the price of the company determined and is it realistic?
- What kind of permits, registrations or intellectual property rights are associated with the company?
- Which business acquisition specialist do I contact before making my decision?

» Turning an enterprise idea into a business idea

An enterprise idea is like a seed that grows into a seedling, or the business idea. The business idea explains how the idea can be turned into profitable business. It answers three questions:

- What do I offer? – The products or services your company produces.
- Who are my customers? – The customers whose needs you meet.
- How do I make it profitable? – How you deliver your services, stand out from your competitors and make your operations profitable.

Taking your business idea further requires consideration of different matters and writing them down. A good business idea is concise, easy to pitch and easy to understand. If you're unable to explain it in a few sentences, it should be refined.

Want to know if your business idea is feasible? Find out by using the Ideanappi service



Steps for refining your business idea

- Customer need: What kind of problem or need do you solve? Are your customers willing and able to pay for your solution?
- Value proposition: What makes your solution better than that of the competitors?
- The market: How wide is the customer base, where are your customers and how do you reach them?
- Competitors: Are there others who offer a similar product or service? How do you stand out from them?
- Revenue model: How does your company make money? How will the operations remain profitable also in the long term?

Example of refining an idea

Enterprise idea: "I like baking – I should open my own coffee shop."

Business idea: "I will open a coffee shop that serves commuters in the morning. The coffee shop will sell healthy sandwiches and coffee to take out. I will use locally sourced ingredients, and I promise to provide fast service."

In this example, a baking hobby is turned into a concrete business idea that clearly explains what the company will do, who its customers are and how it will make money.



Short checklist for evaluating your business idea

- Is there something new or different about my idea?
- Can I find enough paying customers?
- Realistically, do I have enough resources to start a business?
- What are the risks associated with my idea and how can I manage them?
- How do I make sure that my business remains profitable also in the long term?

The various forms of entrepreneurship

Being an entrepreneur doesn't mean following the same path as other entrepreneurs. It can be full-time or part-time activities, performed alone or together, a traditional small business or a growth-oriented startup.

For some people, being an entrepreneur is their calling and the main source of income, while for others it is a part-time activity in addition to paid employment or studies. Some might start as a light entrepreneur or freelancer, while others aim for rapid growth from the outset or continue existing business operations. In social entrepreneurship, some of the prof-

its are directed at the business and the remainder towards promoting societal and environmental targets.

Different forms of entrepreneurship

Full-time entrepreneurship: The business activities are the entrepreneur's main source of income. This requires that the company's income covers all expenses and enables the entrepreneur to earn a personal income. Full-time entrepreneurship often requires greater investments and risk tolerance, but it also offers an opportunity to build the business in the long term.

Part-time entrepreneurship: Entrepreneurship is carried out alongside paid employment, studies or some other main income source. It can be a good way to try out a business idea and gradually build a customer base. Even if the business activities are part-time, the pricing must cover the costs and the entrepreneur's own work input (see p. 17 on pricing).

Startups: Startup companies aim for rapid growth and often try to renew the sector with a new idea, innovation or technology. Startups are typically associated with risk-taking, a scalable business model and applying for external funding, such as investments. Running a startup requires courage, patience and the ability to attract partners and financiers.

Partnership and team entrepreneurship: You can set up and run a company with other people. The team members share their expertise and resources and make decisions together, which can strengthen the company's chances of success. In family-owned companies, partnership may also mean that family members work in the com-

pany. In this case, the family members may also be considered to entrepreneurs in terms of unemployment security on the basis of ownership and control.

Social entrepreneurship: A social enterprise can operate in any form of enterprise, and its activities are based on business activities that promote social or environmental targets. A company established for a social purpose may apply for the Finnish Social Enterprise Mark, which shows that it spends most of its profits on promoting this goal.

Light entrepreneurship and working as a freelancer

Light entrepreneurship means business-like activities without a business ID, usually through an invoicing service. This is not an official form of enterprise, but a practical way of managing invoicing and payments for people who want to run their business flexibly and on a small scale.

Who is it suitable for?

- For a person who wants to test a business idea on a small scale, do gig jobs or combine entrepreneurship with paid employment or studies.

When is it not an option?

- If the sector requires an official permit or notification (e.g. food and beverage services, taxi services, security sector, private social welfare and health care services), the entrepreneur will need their own business ID and form of enterprise.
- In situations where the work is performed as in an employment relationship. When the employee status meets the characteristics of employment, it is an employment relationship. These characteristics »

What is an entrepreneur?

- According to Statistics Finland, an entrepreneur is a person who works in their own company and receives their main income from it. They bear the responsibility and risks associated with running the business.
- In terms of unemployment security, an entrepreneur is a person who works in their own company and has significant ownership or control of the business. This definition has an impact on many aspects, including the availability of start-up grants, unemployment security, YEL insurance and other benefits. Determine the impact of your business on unemployment security even if you are still employed.

Read more: Entrepreneur's earnings security in brief (in Finnish) | **ENTREPRENEUR FUND** and Social security for the self-employed | Our services | **KELA**

Characteristics of a successful entrepreneur

An entrepreneur needs many different characteristics. Important characteristics include:

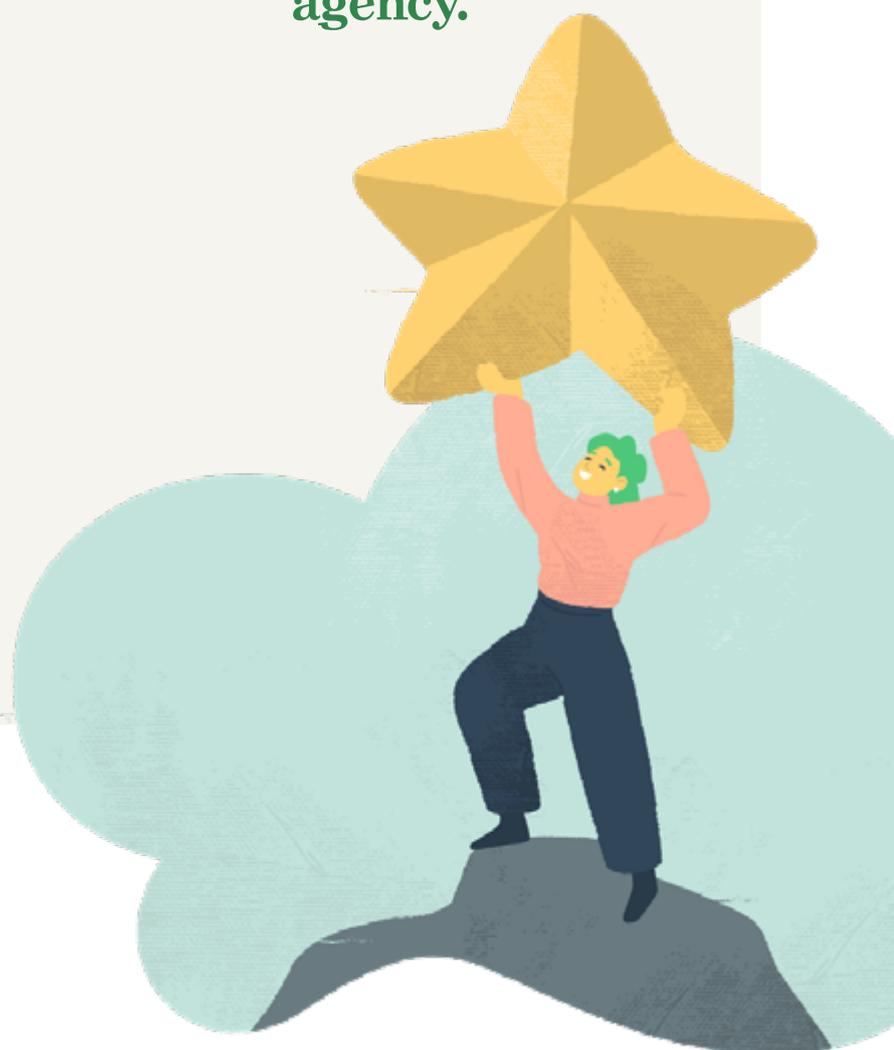
- The ability to make decisions and take responsibility
- Initiative and self-direction
- The courage to face uncertainties and tolerate risks
- The ability to see what the customers need and to solve problems
- Patience and persistence also in challenging situations
- The ability to cooperate with others and networking skills

To run a business, you'll also need practical skills, such as an understanding of finances and administration, marketing skills and the ability to manage your own work and schedule.

You can take different entrepreneurship tests to see how viable your business idea is and find out if you have what it takes to become an entrepreneur. However, please note that the test results are only indicative. To get the best help available, you should book an appointment with a business advisor.

For example, tests are available on the websites of **JOB MARKET FINLAND** and **SUOMEN YRITTÄJÄT** (in Finnish).

Remember, you do not have to be able to do everything by yourself. You can buy services from another entrepreneur, such as an accounting firm or an advertising agency.



» include contracts, working on behalf of another person, remuneration, personal obligation to work, performing work under the management and supervision of another person.

Read more about light entrepreneurship (when you will need or should consider your own business ID) and what light entrepreneurship with a business ID is about, page 39.

Different forms of enterprise

Choosing the form of enterprise is one of the most important decisions new entrepreneurs make. Among other things, it defines the division of responsibilities, taxation and the possibilities for bringing in new owners. The choice is influenced by the nature of the busi-

ness idea, the scope of the activities and whether the entrepreneur runs the business alone or with others.

In Finland, the most common forms of enterprise are private trader (sole trader), limited liability company, general partnership, limited partnership and cooperative. The form of enterprise affects how much risk the entrepreneur bears personally, how decisions are made and the type of opportunities available for obtaining funding.

For more detailed explanations of the different forms of enterprise, their tax and legal differences and practical examples, see pages 32–40 of this guide.



How to build a business plan

A well-designed business plan is one of the most important tools for setting up a business. It helps you to structure your ideas and also convince potential financiers and partners of your idea. Use the framework below to help draw up your business plan.

Basic company information

Start with facts: who you are, the working name of your company and the sector you operate in. Write down the business structure and contact details.

Business idea

Learn to explain your business idea in a few sentences. What products or services do you offer? To whom and how? You can use this to pitch your idea to potential financiers or your first customer.

Expertise

Write down the aspects of your education, work experience and competence that support entrepreneurship. Also think about what skills you need to develop and where you can get help for developing them.

SWOT analysis

A SWOT analysis is a planning tool that identifies Strengths, Weaknesses, Opportunities, and Threats. It helps you see the big picture and prepare for risks in advance.

Products and services

Describe the products and/or services your company offers in more detail. Highlight their special features and benefits to the customer. Think about pricing, too: what is the value of your products or services, and what is the correct price in relation to the market?

Customers

Describe who your customers are in more detail. Try to define the typical or most typical customer profiles: age, life situation, company size or sector. What do your customers value the most?

Competition and competitive advantage

List the most important competitors and consider what makes your company different or better. What is your competitive advantage, or the particular thing that will make a customer choose your product or service?

The market and reaching your customers

Assess the size and growth of the market. Describe how you will reach your customers, and which channels are best suited for them.

Sales and marketing

Knowing your customer is the foundation of marketing. Consider how you will market your product or service in practice: will you handle marketing yourself or do you outsource it in part or entirely? What methods do you use to promote sales?

Risk management

Think about the risks associated with your business and how you will prepare for them in advance. Risks may include financial, contractual, personnel or, for instance, cybersecurity risks.

Finances and financing

Include calculations and an estimate of how much financing is needed in your plan. Describe what the financing consists of and how the company's cash flow is balanced.

Financial management

Describe how you organise accounting and financial management: do you handle them yourself, outsource them to an accounting firm or a combination of these? Organising financial management is the basis for monitoring profitability.

Contracts

List the most important contracts (lease, employment and subcontracting agreements, insurance cover). Clear contract management reduces risks and provides security.

Action plan and objectives

Explain how the company will get started and what your concrete goals for the first year are.

Keep in mind that your business plan can be in any format you prefer. You can write it on paper, use a template or an electronic tool. The most important thing is that the plan works for you.



Why is it important to have a business plan?

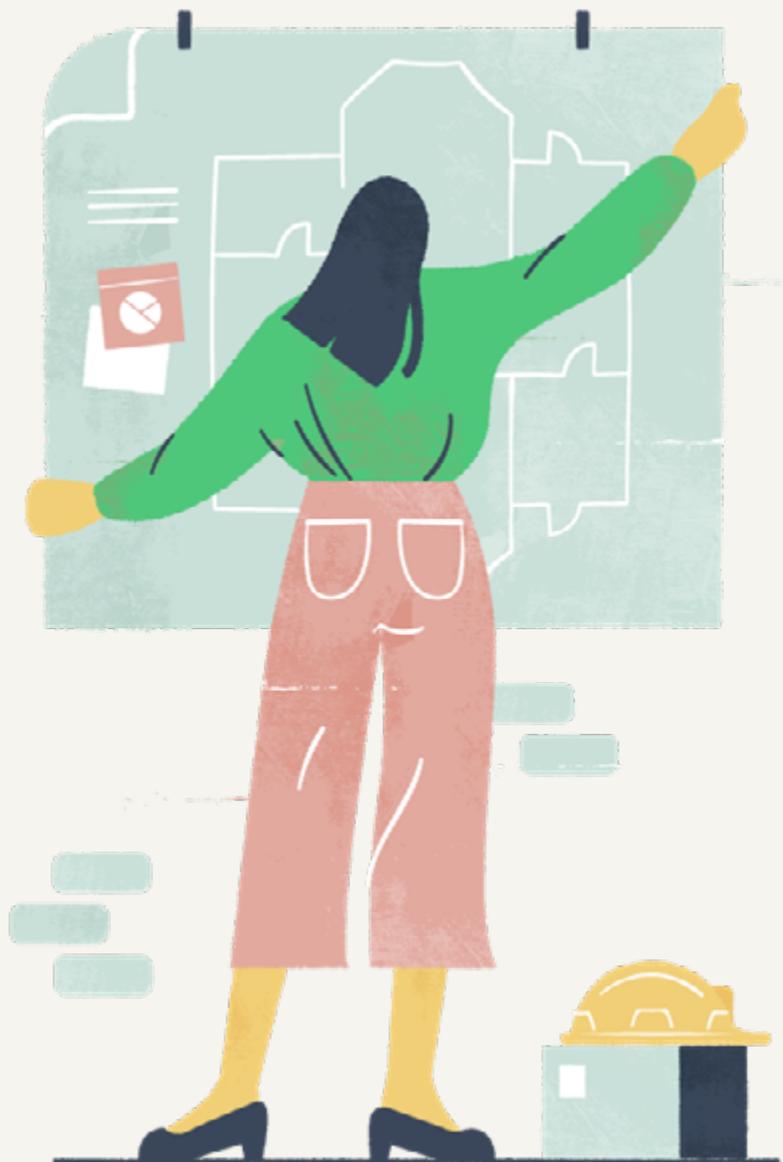
The business plan is not just a document for the financiers but, first and foremost, a tool for you. It helps you understand how your idea will become a feasible and profitable company.

When you prepare your plan, you will have to consider your enterprise idea from many perspectives: customer needs, the market, competitive situation, your competence and finances. At the same time, you will notice whether there are still gaps or issues in your idea that need work.

A good plan also gives you confidence. Once you've written down your goals and operating methods, you'll know what you are aiming for and how you can get there. This helps you make decisions every day and monitor whether you are moving in the right direction. In other words, the plan serves as both a compass and a mirror: it shows the direction and helps you assess where you are going.

The business plan is also a tool you can rely on when talking to financiers, investors and partners. It shows that you know what you are doing and that you are prepared. In many cases, the business plan will determine whether you get the financing and trust you need. Many authorities and organisations that offer grants often require a business plan when assessing the profitability and continuity of business activities.

It's important to remember that your business plan is not set in stone. It evolves with the company, and it's a good idea to update it every now and then. Having an up-to-date plan also helps when your company is looking for growth or new markets. Many successful entrepreneurs review their plans regularly – some even monthly – to check whether the everyday decisions are in line with the objectives set in the business plan.



Calculations turn your ideas into numbers

When planning business operations, a business idea is not enough. You'll also need calculations to demonstrate the conditions under which your company can operate profitably.

The calculations show your ideas as concrete numbers and help you understand how revenue covers expenditure and what kind of sales you need to achieve your objectives. The calculations must be based on realistic estimates of revenues and expenses.

The key calculations to be included in your business plan are:

Financing calculation (see example on page 13)

A financing calculation shows how much capital you need to start a business and where it will come from (e.g. self-financing, bank loan, grants). The calculation also shows what the funds are used for (e.g. machinery, equipment, marketing and working capital). Plan how much you can invest your own capital and/or property when you're getting started. Keep in mind that the start-up grant is not a source of financing for the company, but a subsidy intended for the entrepreneur's personal livelihood.

Profitability calculation (p. 14)

A profitability calculation shows whether the business revenue covers the expenses incurred and how much the company needs to invoice at minimum. It is used to understand what kind of sales will be needed to keep the operations viable.

Sales volume calculation (p. 16)

A sales volume calculation clarifies the results of the profitability calculation. It specifies how the minimum invoicing need is divided between different customer groups and products and services. This gives the entrepreneur a more realistic picture of the demand and allows them to target their marketing accordingly.

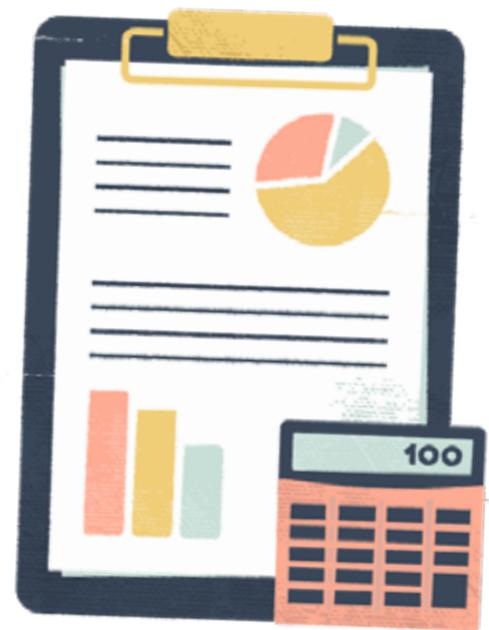
Cash flow calculation

A cash flow calculation ensures that the company has enough money to cover practical expenses and that it can maintain liquidity. It helps to prepare for situations where revenue and expenditure do not coincide.

Keep it updated

The calculations are useful for both the entrepreneur and the financiers: they support the entrepreneur's decision-making and help assure the financiers, investors and other partners of the profitability of the business.

These calculations are not done only when setting up a business. They must also be updated when the company is up and running to monitor the achievement of objectives and to make any necessary changes in a timely manner.



**Business Plan –
Entrepreneurship Tools –
Job Market Finland**



TYOMARKKINATORI.FI

**Calculations help
you determine
your financing
needs.**

Financial calculation for business operations

This form will help you determine what it will cost to start your business ('need for funds') and plan for how you will finance it ('sources of funds').

- What are important and sensible purchases for your business?
- How much working capital do you need to survive the first few months?
- How much of your own money and/or tools can you invest in your business?
- How much will you need to borrow, where will you get a loan, what will it cost, and will you need collateral?



BUSINESS START-UP COSTS:

Registering a sole proprietorship costs €75, while registering a limited liability company costs €300. Start-up costs may also include expenses such as drawing up a shareholders' agreement or obtaining sector-specific permits.

AVAILABLE TOOLS AND EQUIPMENT:

Enter the estimated value of any tools you may already have available for your business here. The calculation will also automatically transfer their value to the 'Sources of funds' table under 'My tools'

RENT FOR FACILITIES/SECURITY

DEPOSITS: If you estimate that it will take three months before you can pay your rent with funds from your revenue (money from customers) and you have to pay a three-month security deposit, you should enter six times your monthly rent.

THE ENTREPRENEUR'S OWN

LIVELIHOOD: How much do you need each month to cover your necessary personal expenses? Multiply this figure by the number of months you estimate it will take for your business to start generating a sustainable income for you. The difference between sources of funds and the need for funds: Your financial calculation is done correctly when your need for funds is equal to your sources of funds. If the resulting difference is negative, you need to increase your sources of funds to match your need for funds.

Need for funds (before you start your business)		€
Investments	If purchasing a company, the purchase price	
	Business start-up costs and permit fees	75
	Tools and information technology	2,000
	Available tools and equipment	500
	Phone, etc.	400
	Car	
	Furniture	2,000
	Renovations	1,000
	Office supplies and other small accessories	125
	Installations, other purchased services	
	Website, marketing, brochures (incl. SEO, etc.)	2,500
	Other potential investments 1	
	Other potential investments 2	
Working capital 1-3 months	Rent for facilities / security deposits	2,400
	Equipment rentals / leasing	
	The entrepreneur's own livelihood	4,500
	Employee salaries	
Inventory and financial assets	Other incidental working capital expenses	
	Initial stock	1,300
	Cash	200
	Other inventory and financial assets	3,000
Total need for funds		20,000
Sources of funds (how will you arrange start-up funding?)		€
Equity	Available tools and equipment	500
	Your own investments in the business	4,500
	Share capital	
	Other equity	
Loan capital	Bank loan	15,000
	Finnvera	
	Shareholder loan	
	Other loans (e.g. related party loan)	
	Other (e.g. credit card limit, etc.)	
	Other loan capital	
Total sources of funds		20,000

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In order to start a business, your sources of funds must be equal to your need for funds.

Profitability calculation / 'break-even' calculation

The profitability calculation will help give you an idea of what kind of minimum turnover you should aim for.

Target earnings	Per month	Per year (12 months)
The net income of a sole proprietor or the profits of a limited company	2,000	24,000
Repayment of business loans	315	3,780
Net revenue (target earnings + repayment of business loans)	2,315	27,780
Taxes on the income of a sole proprietor or the profit of a limited company	300	3,600
Financial needs, i.e. your gross income (net income + taxes on income)	2,615	31,380
Interest on business loans	95	1,140
Total financing needs and interest on business loans	2,710	32,520
Fixed business expenses (excluding value added tax)	Per month	Per year (12 months)
Pension insurance for self-employed persons (YEL)	376	4,512
Other insurance policies	100	1,200
Salaries of your employees		0
Non-wage labour costs (approx. 40%)		0
The entrepreneur's own salary (does not apply to sole proprietorships)		0
Rent and electricity	900	10,800
Lease payments and other instalments		0
Marketing	170	2,040
Phone, internet	50	600
Travel/car expenses		0
Accounting	120	1,440
Office expenses	34	408
Training		0
Magazines, etc.		0
Repairs		0
Unemployment insurance contribution for entrepreneurs	25	300
Other potential expenses 1 (e.g. purchased services)	125	1,500
Other possible expenses 2		0
Other possible expenses 3		0
Total fixed costs	1,900	22,800
Required sales margin (target earnings and fixed costs in total)	Per month	Per year (12 months)
Required sales margin (financing needs + interest on business loans + fixed costs)	4,610	55,320
Value added tax (default 25,5%)	1,175.55	14,106.60
Total sales/invoicing (required sales margin + value added tax)	5,785.55	69,426.60
Required sales margin (minimum)	Without tax per year	Inc. value added tax
In total	55,320	69,426.60
Required monthly margin, €/month (e.g. 11 months per year)	5,029.09	6,311.51
Required daily margin, €/day (e.g. 20 days per month)	251.45	315.58
Required hourly margin, €/h (e.g. 8 hrs per day)	31.43	39.45

THE NET INCOME OF A SOLE PROPRIETOR OR THE PROFITS OF A LIMITED COMPANY:

'Target earnings' refers to the net income required for an entrepreneur to operate their business. You can calculate it by estimating how much money you will need per month for personal expenses (housing, food, clothes, etc.). You can also estimate your target earnings based on the net salary you receive from your job. In the case of a limited company, the salary is entered as a gross amount on line The entrepreneur's own salary.

NET INCOME: Business loan repayments are added to the target earnings to calculate net income. When you add taxes to net income, you arrive at your financing needs. When the interest on business loans is added to your financing needs, you get the amount that your business needs to earn for you to live on and service your business loans.

TAXES ON INCOME: Learn more about your tax rate with the tax rate calculator on the Tax Administration's website. The corporation tax rate for a limited company is always 20%, and in addition to this, entrepreneurs pay taxes on their earned income, i.e. their salary.

FIXED COSTS: Fixed costs are expenses that do not depend on a company's amount of billing but remain relatively constant from month to month. Fixed costs include the salaries of other employees, insurance policies, rent, office expenses, electricity/water, etc.

Pension insurance for self-employed persons: The self-employed person's pension insurance contribution (YEL) is mandatory and is assessed based on the person's confirmed income from self-employment. New entrepreneurs receive a 22% discount for the first 48 months. Employee pension insurance (TyEL) is compulsory when a company hires an employee.

REQUIRED SALES MARGIN: When you add together the financing needs of the business, interest on business loans, and fixed costs, the result is the required sales margin.

VALUE ADDED TAX: Value added tax depends to some degree on the goods or services sold.

TOTAL SALES/INVOICING: Total sales/invoicing is the sum of turnover and value added tax.

REQUIRED SALES MARGIN (MINIMUM): This will help you calculate the monthly, daily and hourly billing needs for your business. Please note that your business may not always be able to bill for full months, days or hours. Estimate how many days or hours your business can bill customers each month.

Profit plan (3 years)

The three-year profit plan provides an example of the development of the company's business and operating results. The calculation should be updated at least once a year.

Three-year growth percentage	year 1	year 2	year 3
Revenue growth (%)	Do not fill in	5	5
Expenditure growth (%)	Do not fill in	5	5

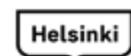
Profit and loss calculation for three years	vuosi +1	vuosi +2	vuosi +3
Sales revenue	69,426.60	72,897.93	76,542.83
Value added tax	14,106.60	14,811.93	15,552.53
Turnover	55,320	58,086	60,990.30
Personnel expenses	0	0	0
Rents	10,800	11,340	11,907
Marketing	2,040	2,142	2,249.10
Other business expenses	9,960	10,458	10,980.90
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	32,520	34,146	35,853.30
Financial charges	4,920	4,920	4,920
Taxes	3,600	3,780	3,969
Financial result	24,000	25,446	26,964.30
Depreciations			
Net profit	24,000	25,446	26,964.30
Incidental income/expenses			
Gross income	24,000	25,446	26,964.30

THREE-YEAR GROWTH PERCENTAGE: You can change the growth rates for income and expenses.

Starting a business?

Finalise your plan with Business Helsinki's calculation templates, videos and guides.

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Monthly sales calculation products/services

Example of a sales volume calculation. The example entrepreneur's business idea is providing beauty care services.

	PRODUCT 1: FACIAL CARE		PRODUCT 2: PEDICURE		PRODUCT 3: BODY CARE	
Product/Product group names	Price 1 excluding tax	Costs 1	Price 2 excluding tax	Costs 2	Price 3 excluding tax	Costs 3
Product/product group price and costs excluding tax	87.65	10	62.95	7	67.73	6
Product/product group margin		77.65		55.95		61.73
Products/services sold per customer (name the customer/customer group)	Quantity 1	Margin in total 1	Quantity 2	Margin in total 2	Quantity 3	Margin in total 3
Customer group 1: Women > 50 yrs	7	543.55	9	503.55	4	246.92
Customer group 2: Women 30-49 yrs	15	1 164.75	6	335.70	6	370.38
Customer group 3: Youth 15-18 yrs	4	310.60	1	55.95		0
Customer group 4: Young adults 19-29 yrs	3	232.95	5	279.75	4	246.92
Customer group 5: Men	2	155.30	1	55.95		0
Total for products sold	31		22		14	
Total sales margin		2,407.15		1,230.90		864.22
Total product sales		2,717.15		1,384.90		948.22
Total expenses		310		154		84

	PRODUCT 4: MANICURE		PRODUCT 5: EYELASHES AND EYEBROWS		
Product/Product group names	Price 4 excluding tax	Costs 4	Price 5 excluding tax	Costs 5	
Product/product group price and costs excluding tax	39.04	5	27.89	2	
Product/product group margin		34,04		25,89	
Products/services sold per customer (name the customer/customer group)	Quantity 4	Margin in total 4	Quantity 5	Margin in total 5	All products
Customer group 1: Women > 50 yrs	5	170.20	4	103.56	1 567.78
Customer group 2: Women 30-49 yrs	10	340.40	6	155.34	2 366.57
Customer group 3: Youth 15-18 yrs		0	2	51.78	418.33
Customer group 4: Young adults 19-29 yrs	8	272.32	2	51.78	1 083.72
Customer group 5: Men		0	0	0	211.25
Total for products sold	23		14		104 pcs
Total sales margin		782.92		362.46	5,647.65
Total product sales		897.92		390.46	6,338.65
Total expenses		115		28	691

Summary of sales	Per month	Per year
Turnover (excluding VAT)	6,338.65	76,063.80
Total expenses	691	8,292
Total sales margin	5,647.65	67,771.80
Required sales margin in the profitability calculation	5,029.09	60,349.09
Difference (must be positive for operations to be profitable)	618.56	
Operating profit margin (Target approx. 10%. Review profitability if less than 5%)	10%	

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Carefully considered pricing

Pricing is crucial to your company's profitability. Before determining the sales price of each product or service, you should calculate carefully how much it costs you to produce or supply it.

The three main factors to consider when setting prices are the customers, the competitors and the costs. These factors are also the basis for three commonly used pricing models

- value-based pricing
- market-based pricing
- cost-based pricing.

In value-based pricing, the price consists of the value your product or service creates for the customer. Ask yourself what added value customers are prepared to pay for. Will they pay, for instance, for the image, product quality, good customer service, a warranty/guarantee or the location?

Market-based prices are guided by the balance between supply and demand. Your competitors are key players in this model, so get to know their price level. If you sell products or services at much lower prices than your competitors, you may be able to gain customers quickly, but it can be difficult to raise the prices later on. You can use temporary devices such as introductory offers, but do not permanently compromise your margin.

In other words, avoid underpricing your product or service. Price is always an indication of quality, as well. Be careful not to ruin your image of quality by setting the price too low.

In a cost-based approach, prices are determined by adding a profit margin to the cost price of the products or services. To calculate the sales price, the variable costs, such as the purchase price or material costs, are multiplied by a pricing factor.

If you are selling products or services directly to consumers, list the final prices including VAT on your price list and invoices. Corporate customers will be interested in the price excluding VAT, because VAT on purchases can be deducted from VAT on sales.

Importance of sales margin

Carefully consider what the correct price for your product or service is. Your company must retain some of the product's sales price as the sales margin. If you sell products or services at a high margin, you don't need to sell a lot of them to make your business profitable. If your margin is low, you will have to sell more. So be sure to check how large the sales margin will be for each product or service sold. Is the margin sufficient when the sales volume is taken into account?

Keep in mind the fixed costs and the total use of your time. A profitability calculation will give you a good idea of the lower limits of your price range.

Pricing your own work

As an entrepreneur, you need to remember that the hourly price charged to your customer is not the same as the hourly pay you would receive as an employee. On top of your gross wages, your employer will also have paid employer contributions. As a rough estimate, you need to multiply the gross wage you received as a paid employee by 1.5 to achieve the same level of income as an entrepreneur.

You should also keep a record of the hours you spend on business management, marketing and sales work. In most cases, you will not be able to charge any customer directly for these hours of background work, so the time spent on such tasks must also be covered by your hourly price.

In addition to your own hourly pay, you also need to take all other expenses related to your business into account when determining the billable prices.

These include, for example

- VAT
- YEL premiums and other premiums
- tools, phone, internet connection, car
- travel expenses
- workspace rent and cleaning
- accounting expenses
- marketing
- professional literature and trainings.

Example of pricing	Competitor's price	20% cheaper price
Sales price	€55.00	€44.00
- 25.5% VAT	€-14.03	€-11.22
Price excluding VAT	€40.97	€32.78
- Purchase price (0% VAT)	€-28.00	€-28.00
Margin	€12.97	€4.78

Example of calculating the sales price

Total costs of the product	€150.00
+ Target sales margin (35%)	€80.77
= Sales price excluding VAT	€230.77
+ VAT 25.5%	€58.85
= Sales price including VAT	€289.62

Example

You sell a product with total costs of €28. Your competitor sells the same product to customers for €55 (incl. VAT). Notice how the 20 percent difference in price impacts the profit margin.



Learn about VAT

Value-added tax is a general tax on consumption, added to almost all products and services. The tax is intended to be paid by the consumer, but companies act as the tax collector.

Even if you are new to entrepreneurship, you have been dealing with value-added taxes all your life. Value-added tax (VAT) is a general tax on consumption, added to almost all consumed products and services. Even though the tax is intended to be paid by the consumer, companies act as the tax collector. As an entrepreneur, you should include value-added tax into your selling price and then pay the collected taxes to the state. In order for the tax to finally be paid by consumers, companies have the right of deduction. With your company's purchases, you can deduct the VAT you have paid from the taxes you are paying for sales.

Almost all companies that sell products or services must register for value-added tax. The usual VAT rate in

Finland is 25.5 percent. Additionally, there are two reduced VAT rates: 10 and 14 percent. A zero rate is applied, for example, to international trade in goods and services. You also have the right to deduct these zero-rated purchases. In principle, all sales of goods and services taking place in the conduct of business are subject to VAT. However, the Value Added Tax Act contains detailed provisions on the categories of sales that are exempted from VAT. Such activities do not need to be registered for VAT.

Value-added tax is a self-assessed tax. As a taxpayer, you must independently calculate, file and pay the taxes of a certain taxation period to the Tax Administration. If your company is partnered with an accounting firm, you can delegate the filing and payment of the value-added tax to your accountant.

Calculating the amount of value-added tax

	Price including VAT	Excl. VAT	VAT 25.5%
Sales	€6,275	€5,000	€1,275 = tax payable
Purchases	€1,882.50	€1,500	€ 382.50 = deductible tax
Payable VAT			€892.50 = tax to be paid

File the value-added tax online through MyTax. If your company is registered for VAT, remember to file the taxes regularly, even if your company is not active. You can also delegate the tax filing and payments to your accounting firm.

Companies pay income tax based on their profit. Future taxes are mainly paid through advance payments. Read more on p. 64!

VAT rates

General tax rate 25.5%

- Most goods and services

Reduced tax rate 13.5%

- Groceries
- Animal feed including related substances
- Restaurant services (meals consumed at seller's business premises)
- Meal services (meals supplied to premises chosen by the buyer)
- Note: The reduced VAT rate of 14% is not applicable to supply of alcohol, supply of tobacco products, serving of alcoholic drinks.
- Books (printed and electronic)
- Pharmaceuticals
- Sanitary protection products, baby diapers
- Supply of sports/fitness service
- Admittance to cultural, entertainment or sports events
- Passenger transport services
- Accommodation
- Fees received by a performing artist, athlete or other public performer, if the recipient is registered for VAT for these activities
- Compensation received from broadcasting

Reduced tax rate 10%

- Subscriptions to newspapers and journals

The exempted categories include:

- Health and medical services
- Social services
- General education, vocational training, University-level teaching and basic artistic teaching
- Financial services and insurance services
- Certain performing artists' fees
- Copyrights
- Sales and rental of real estate and apartments
- General postal services
- Certain other goods and services (such as organisation of lotteries)

VAT for small-scale businesses

The scale of your business operation is determined by the size of its annual turnover. If the business is small in scale, there is no need to apply for VAT registration.

The threshold of small-scale business stands at €20,000 of annual turnover, however, referring to 2 calendar years one after the other: the current year and last year. This way, your business's possible exceedance of the threshold is based on its turnover during two calendar years. Annual turnover figures for two years should not be added together. Instead, max. €20,000 of turnover is the threshold for both of the two years one after one.

For businesses with a non-calendar accounting year (12 months), the turnover is calculated by combining different accounting periods in such a way that the combined turnover will reflect that of a full calendar year.

You must oversee the turnover yourself

Companies that have no VAT registration are required to watch the growth of their turnover and if the threshold is exceeded, they must apply for VAT registration, which will become valid immediately at the date when turnover passed the threshold. This point in time will also be the start date for the company's liability for paying VAT. This means that it is actually required of a company that exceeds the VAT registration threshold to become VAT-registered immediately starting on the date of exceedance.

Small companies continue to have the option to register for VAT voluntarily although their turnover does not reach the threshold. However, VAT registration can only be granted on the condition that the company's sales of goods and services take place in the conduct of business. Read more about entering the VAT register. [VERO.FI](#)

What effects does a company's VAT registration have?

When a company is in the VAT register

- the company can deduct the VAT included in the purchases made for the company's taxable business operations
- the company adds VAT to the prices of the goods and services it sells
- the company must report and pay VAT for every tax period. The VAT return must be filed even if

the company has not had any activity during the period. The tax period is usually one month. In other words, VAT must be reported and paid on a monthly basis.

When a company is not in the VAT register

- the company cannot deduct the VAT included in its purchases
- the company does not add VAT to the prices of the goods and services it sells
- the company does not file VAT returns or pay VAT.

The reportable tax period for VAT

In general, the VAT period is one month. In other words, business enterprises must file and pay VAT on a calendar-monthly basis. However, small companies may apply for a longer tax period for their VAT reporting – either once every quarter, or once a year. Read more about VAT periods. [VERO.FI](#)

Is your company active in the EU territory?

The new EU VAT scheme for small businesses (SME), based on optional signup by a small business, has been introduced starting 1 January 2025 in the European Union. Subject to certain restrictions, the scheme makes VAT-exempted selling possible to customers in other EU countries. Read more about the VAT scheme for EU sales by small businesses (SME). [VERO.FI](#)

Foreign companies established in a non-EU country cannot be given the benefits accorded within the EU SME scheme to small business operations. The VAT exemption is not available even if the foreign company has a fixed establishment in Finland.



The due date is the 12th of every month.

Why does a new entrepreneur still need personal advice?

The internet is full of information on entrepreneurship and AI solutions, but the need for personal business advice has not disappeared – on the contrary, it is more important than ever before.

Those considering entrepreneurship may have searched the internet for information and, after receiving personal advice, said: “I wasted so much time looking for information when I could have just got information tailored to my situation from an Enterprise Agency.”

Entrepreneurship requires understanding, not just knowledge. Advice helps you understand how and which matters are related to your sector and where you operate, in what order should you take care of them, and which risks apply to your idea.

Artificial intelligence offers good tools for business planning or marketing, but it cannot see, for example,

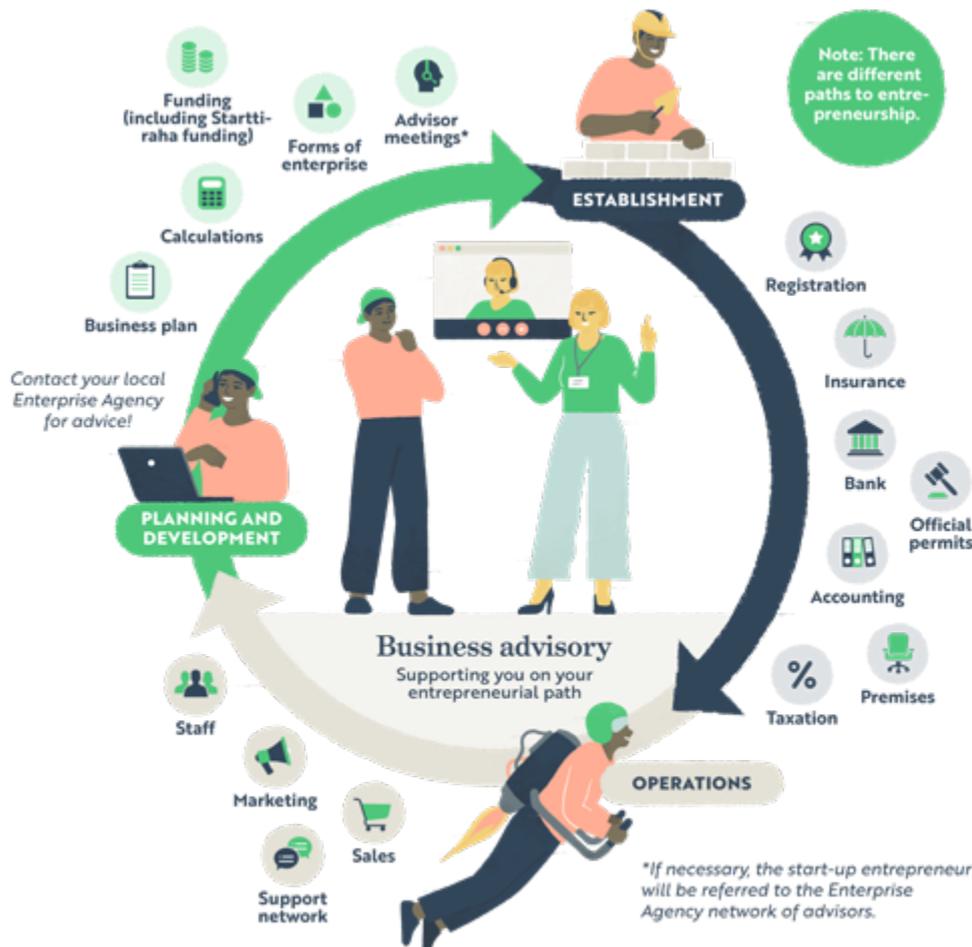
the entrepreneur’s hesitation or take into account competence and experience, or build a confidential dialogue. A business advisor, on the other hand, sees the person, asks questions and helps brainstorm the business idea so that it can be developed into a viable business.

Many new entrepreneurs don't even know what to ask. A business advisor can bring up matters that a new entrepreneur had not even considered, like permits, liabilities and agreements, taxation, cost structure and cash flow, or time requirements.

This is why we recommend contacting an expert at an Enterprise Agency in the early stages.



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CEO, Business Advisor,
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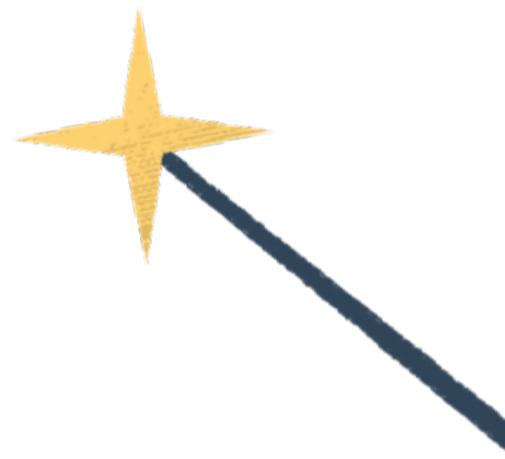
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Initial business funding

In the early stages of a business, money is always needed to start up operations and make initial investments. The amount of funding needed depends on your business idea and varies greatly between industries.

The easiest way to work out your financing needs and sources of funding is to perform a financing calculation when drafting your business plan. Your business idea and the nature of your business have a significant effect on your need for funding. For example, offering interpreting and translation services requires a much smaller initial investment than establishing a restaurant or a company manufacturing goods.

In most cases, initial funding comes from three sources:

1. the entrepreneur's own financing
2. loans
3. possible grants.

Self-financing refers to investing your own savings or other assets (property given as a capital contribution), such as machinery, real property or car, into the business.

Loans (also known as liabilities or borrowed capital) are granted by banks, pension insurance companies and other financial institutions, such as Finnvera. Even if you have kept your personal assets at the same bank for years, you should find the best banking partner for your business needs. If certain preconditions are met, your company may also qualify for publicly funded business subsidies which do not need to be paid back.

Start-ups can also turn to business angels or venture capitalists for funding to get their operations started.

Extended payment terms for supplies (supplier credit), leasing solutions, bank accounts with overdraft facilities and credit cards can also help to secure funding in the short term. Leasing refers

to long-term rental of movable fixed assets, and it can be used to obtain IT equipment and machinery, for example. The leased asset also acts as security for the funding, so separate collateral is not required.

Finnvera funding to help get started

Beginner entrepreneurs usually seek financing from their bank or other financier when they are getting started. If the company does not have sufficient collateral, Finnvera's Start Guarantee may help in arranging the financing.

Amount of the Start Guarantee: €10,000–80,000

Finnvera's guarantee coverage can be at most 80% of the corporate debt.

Applying for the grant: The financier assesses the company's creditworthiness and applies for the collateral from Finnvera.

Turnaround time: Finnvera makes the decision within three working days of receiving the application.

If, for some reason, the Start

Guarantee is not suitable for financing your company's project, a Finnvera Guarantee can be applied for as security for the loan. Additional information: WWW.FINNVERA.FI/ENG > Start and growth > Setting up a company

Business development aid

The Economic Development Centre may grant business development aid to SMEs that meet the prerequisites for profitable business and have enough of their own resources for development measures to improve competitiveness. Business development aid is always granted on a discretionary basis. The contribution is based on an assessment of the company and project, performed separately for each initiative.

A grant may be issued for

- business development
- innovation
- development and investment projects related to growth or internationalisation.

The contribution must be applied for before the start of the development »

Finnvera's Start Guarantee can be used in place of the collateral required by the bank.

» project. At least half of the project funding must come from the company itself.

Additional information: WWW.ELINVOIMAKESKUS.FI

Business financing for rural areas

Economic Development Centres and Leader Groups also help to facilitate entrepreneurship in the Finnish countryside. The EU's rural development funding schemes offer a wide range of opportunities for businesses to develop and modernise their operations.

Rural development funding is intended for micro and small enterprises in eligible rural areas and for agricultural holdings diversifying their business activities outside agriculture and forestry. An exception is made for medium-sized enterprises, which can receive aid for processing agricultural products.

Aid may be granted for

- setting up a business (including start-ups, entrepreneurship experiments, part-time and full-time entrepreneurship)
- business development (development of products and services)
- investments (tangible and intangible investments and investment feasibility studies).

In addition, EU rural development funding can be granted for development projects and business group projects that promote business activities, business cooperation, and the vitality of rural areas.

You can apply for EU rural development funding from the Economic Development Centres or from your local Leader Group. The funding application is completed in the online service Hyrrä. Before submitting an application, we recommend contacting the Economic Development Centre or your local Leader Group to discuss your idea and suitable funding. You should

be aware that the activity for which you are applying for funding can only be started after you have submitted your application.

More information:

WWW.MAASEUTU.FI > Yrittäjälle (in Finnish), and WWW.RUOKAVIRASTO.FI > Tuet > Maaseudun yrittäjyys (in Finnish).

More information on EU rural development funding:

WWW.MAASEUTU.FI > Kehittäjälle (in Finnish) and WWW.RUOKAVIRASTO.FI > Tuet > Maaseudun palvelut ja elinkeinojen kehittäminen > Kehittäminen ja yhteistyö (in Finnish).

You can apply for funding online via the Hyrrä service: WWW.RUOKAVIRASTO.FI > Tuet > Asiointi > Hyrrä – maaseudun tukien sähköinen haku (in Finnish).

Ask for help
with the
applications
when necessary.



Secure your livelihood

Setting up a business and acquiring customers often take time. A new entrepreneur must also secure their own financial situation before the business starts to produce results.

An entrepreneur's income is built on their own decisions. Unlike an employee, an entrepreneur does not have the security provided by an employment relationship. It is important to understand how you can ensure your financial security in daily life, when you fall ill or when you retire. At the early stages of entrepreneurship, your income may be uncertain and irregular. Plan how you can cover the costs of living before your business starts making a profit. For example, you can use your savings or consider part-time entrepreneurship. Remember that the entrepreneur's pay is not the same as the revenue – expenditure also affects the end result. A well-produced business plan with investment and profitability calculations helps in the planning.

Salary

An entrepreneur's salary is not the same as the company's sales, turnover, or business income. If your enterprise is a limited company, you can pay salaries and benefits to yourself and your potential employees. Salaries are an expense that reduces the company's profit. If the company makes a profit, shareholders can also receive dividends from the company. An entrepreneur's salary is taxed according to their personal tax rate. Dividends are taxed as income and capital income.

If you are a private trader, you do not actually pay yourself a salary but you can make private withdrawals from your business account for your personal expenses. You can make as many withdrawals as you want. However, remember that all your business expenses must be paid from your business account.

Private withdrawals are not taxed upon withdrawal. The entrepreneur must pay the tax in advance. In practice, this means that you will notify the tax authority of an estimate of the earnings for your upcoming tax period and you will receive a decision on the withholding tax to MyTax. The decision contains information for the payment of the tax, such as the amount and due date of each installment.

A start-up grant supports a new entrepreneur

Starttiraha (Start-up grant) is a government support for new entrepreneurs in Finland, designed to secure your personal income during the early stages of your business. A start-up grant secures a new entrepreneur's livelihood at the starting phase of full-time entrepreneurship. The grant is only meant to cover the entrepreneur's personal living costs, not the costs of business operations. Start-up grants are taxable income, i.e. tax is payable on them.

A start-up grant can be granted to a person who is becoming a full-time entrepreneur at the startup and establish-

ment stage of the business. A start-up grant may also be granted to a person who plans to expand their part-time entrepreneurship into a full-time occupation. Start-up grants can be granted to several entrepreneurs who are working in the same start-up business. You can apply for a start-up grant when you own at least 15 percent of the company, are in a dominant position in the company, and are employed full-time in the company.

A start-up grant can be paid for a period of up to 12 months. A decision on the start-up grant is always made for a period of six months. After the first six months, the entrepreneur may apply for an extension of the start-up grant for another six months.

How to apply for a start-up grant

A start-up grant is a discretionary allowance granted by the employment authority of the employment area.

When considering setting up a business, you should contact your local employment authority in good time to ensure your eligibility for a start-up grant. Applicants who have not commenced running their business full time before their start-up grant application has been received by the employment authority are considered for the grant.

Apply for the start-up grant and its payment via the regional administration's e-service for employment and economic development services. You can also log in to the Regional administration's e-service for employment and economic development services through Job Market Finland at www.työmarkkinatori.fi. You can get help with applying for a start-up grant electronically by contacting Enterprise Finland advisory service, tel. 0295 020 500 or SUOMI.FI > Enter- »

Determine your eligibility for a start-up grant in good time.

» [prise Finland advisory service > Support and assistance](#)

The application for a start-up grant must be accompanied by a business plan, as well as profitability and financing calculations. The business advisors of the Finnish Enterprise Agencies can assist you in completing them. You will also need to include a certificate of the payment of taxes/tax debt certificate, i.e. a statement on whether the applicant has outstanding taxes to pay. A certificate may be ordered via the website of the Finnish Central Tax Administration (WWW.VERO.FI/EN > About us > Contact us > e-File > Information on MyTax > Request a tax debt certificate).

If you are applying for a start-up grant extension, the application must be submitted to the employment authority during the valid start-up grant period.

The amount of the start-up grant

The start-up grant corresponds to the basic unemployment benefit applied under the Unemployment Security Act (general social security benefit as of 1 May 2026). In 2026, the amount is €37.21 per day. The start-up grant is paid for a maximum of five days per calendar week. The start-up grant is paid once a month retroactively on the basis of an application for payment submitted by the recipient of the grant. The application for payment must be submitted to employment authority within two months from the end of the payment period.

A start-up grant can be granted if the entrepreneur is able to establish profitable business and if they have experience to support entrepreneurship or have business training. The entrepreneur must work in the business full-time, and the support must be necessary for the entrepreneur's subsistence. A start-up grant cannot be paid if the income of the new entrepreneur is secured in another manner, such as by wages or other benefits.

Starting a business during unemployment

If you are unemployed and start a business, you may apply for a start-up grant or an unemployment allowance.

You may receive an unemployment allowance for the first four months after the establishment of the company, as the full-time/part-time nature of the work is not assessed during this time, if all other prerequisites for receiving unemployment benefit are also met. If your business generates income during the first four months, you will receive an adjusted unemployment allowance, meaning that the income received is taken into account in the amount of the benefit to be paid.

After the four months, it will be assessed whether you are operating as a full-time or part-time entrepreneur. If the business is deemed to be a full-time job, you will lose your entitlement to unemployment allowance. If the business is deemed to be a part-time job, you may continue to receive an unemployment allowance. Note that the assessment is not based on the profit of the business but on the amount of work (or, in practice, the time spent on the activities and the binding nature of the activities). If the business is not deemed to be a full-time job at the end of the four-month period and you wish to continue as an entrepreneur, you can apply for a start-up grant if you expand your business into a full-time job.

Read more about the services for beginner entrepreneurs and applying for a start-up grant at Job Market Finland: WWW.TYOMARKKINATORI.FI/EN > [more-information-about-services > start-up-grant](#)



Preconditions for receiving a start-up grant

Preconditions for receiving a start-up grant

- you have or acquire adequate capabilities for the intended business
- you are a full-time entrepreneur, and
- the intended business has potential for continued profitable operation.

A start-up grant will not be granted if

- the intended business is estimated to secure a reasonable income for the applicant at the start-up stages of the business operations
- the start-up grant is estimated to distort competition between the providers of the same products or services to more than a minor extent
- the private person who applies for a start-up grant has started full-time entrepreneurship before the employment authority received the start-up grant application
- the person who applies for the start-up grant has materially neglected their obligations to pay tax or other statutory payments, or the person has experienced material civil law default of payment, unless the employment authority considers the granting of the start-up grant appropriate.

Unemployment security

In this ever-changing world, business conditions may deteriorate unpredictably, even if an entrepreneur has a viable business idea and a high level of expertise. New entrepreneurs should always think about their social and unemployment security.



According to the Unemployment Security Act, an entrepreneur is a person who works in a company of which they or their family own a specific share determined by law. Furthermore, a person who works in a company without an employment or service contract, i.e. a self-employed person or a person who works through an invoicing service, is also considered an entrepreneur.

An entrepreneur can join an unemployment fund for the self-employed if their YEL income is at least €15,481 per year (Entrepreneur's YEL/MYEL earned income and the company co-owner's TyEL salary). Entrepreneurs with a lower level of income are only entitled to labour market support (or general social security benefit starting from 1 May 2026).

When is an entrepreneur unemployed?

You are not entitled to unemployment benefits if you are fully employed as an entrepreneur. In order to receive the benefit, you need to close down your business. According to the Unemployment Security Act, you are unemployed if it can be proven that your business activities have ended or if your employment with the company has ended in a lawful manner. The concept of terminated entrepreneurial activity varies depending on the form of enterprise and the entity as a whole.

The entrepreneurial activity is deemed fully terminated if

- the enterprise has been placed in bankruptcy

- the enterprise has been placed in liquidation
- a dissolution agreement has been concluded between the partners (other than limited liability companies and cooperatives)
- the production and financial activities of the enterprise have ended and the entrepreneur has given up their YEL or MYEL insurance and filed a notification with the Tax Authorities for removing the enterprise from the prepayment register, the employer register and the VAT register (or interrupting its VAT liability).

The unemployment benefit payer, i.e. Kela or the unemployment fund, assesses the preconditions for the payment of unemployment security separately.

In individual cases, business activities can be considered to be seasonal. In this case, unemployment benefits can be granted for the period during which the entrepreneur cannot engage in their business activities. In this case, the entrepreneur is comparable to a wage-earner and may receive a benefit between assignments. A person's employment with a company is considered to have ended if their work capacity has decreased permanently and materially.

General social security benefit for the unemployed* or basic daily allowance?

An entrepreneur's livelihood during unemployment is secured by either the general social security benefit or basic daily allowance. Unemployment allowance can be general social security benefit (previously known as labour market

***The general social security benefit will replace the labour market subsidy and basic unemployment allowance in May 2026.**



» subsidy or basic daily allowance) paid by Kela or an earnings-related daily allowance paid by an unemployment fund. Employees are insured by an unemployment fund for salaried employees, and entrepreneurs are insured by the Unemployment Fund for Finnish Entrepreneurs (Yrittäjäkassa). You cannot be a member of both funds at the same time. You should always choose an unemployment fund according to your main occupation: if you are a part-time entrepreneur with a full-time job, you should belong to an unemployment fund for salaried employees.

The general social security benefit in 2026 is €37.21 per day, approximately €800 per month. As a member of the Unemployment Fund for Finnish Entrepreneurs, you receive a daily allowance based on your earnings, which is clearly higher than the basic daily allowance. The amount of earnings-related daily allowance is determined on the basis of your pre-unemployment income or insurance. You can calculate the amount of your earnings-related daily allowance on the Unemployment Fund for Finnish Entrepreneurs' website at WWW.YRITTAJAKASSA.FI/EN.

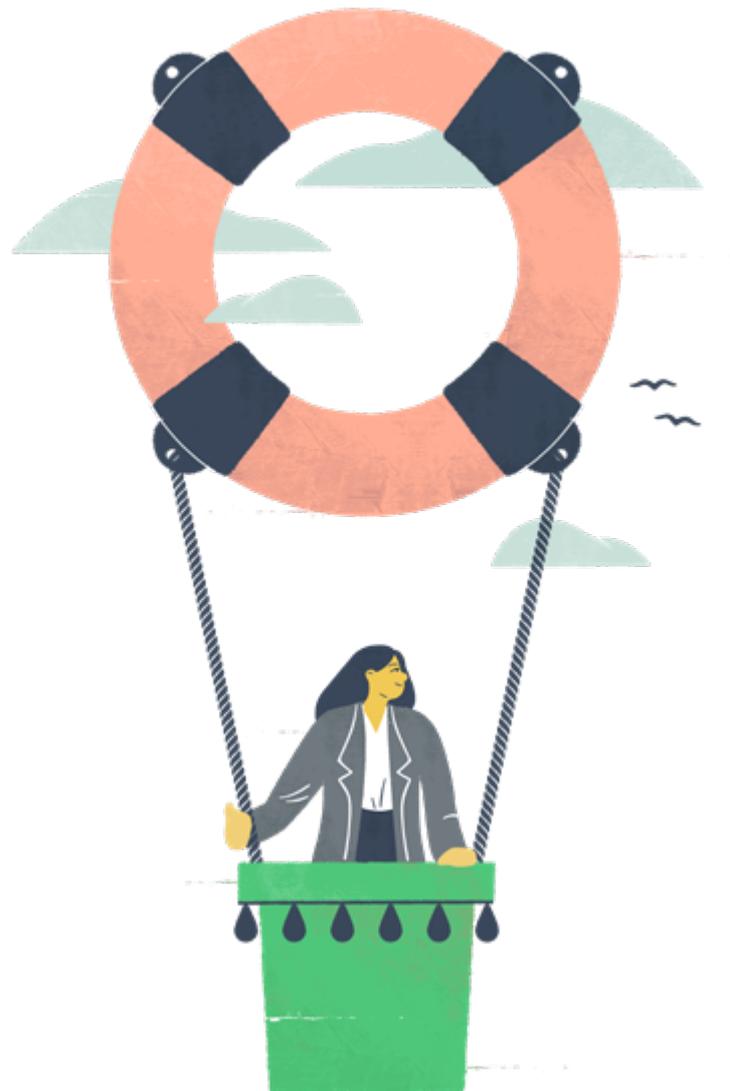
Employment condition and post-protection

You can receive an earnings-related daily allowance if you are a member of the Unemployment Fund for Finnish Entrepreneurs and you have worked as an entrepreneur for at least 15 months in the four years preceding unemployment. The reference period cannot be extended to a period when you have not been a member of the fund.

If you change from being an employee to an entrepreneur, you usually have the right to post-protection. You may receive an earnings-related daily allowance based on the income from the salaried employment you had before you became an entrepreneur if your business is closed down during the

post-protection period. The post-protection period is usually 18 months from the start of the business. In order to receive a post-protection allowance, you must have joined the Unemployment Fund for Finnish Entrepreneurs within one month of leaving the unemployment fund for salaried employees. Entitlement to an employee-based daily allowance ends when the entrepreneur's 15-month employment condition is met. More information on entrepreneurs' unemployment allowance:

WWW.YRITTAJAKASSA.FI, WWW.KELA.FI/WEB/EN > Our services > Unemployment, WWW.TYOMARKKINATORI.FI/EN > Personal customers > Unemployment security > Unemployment security for entrepreneurs and self-employed persons.



YEL pension insurance provides security throughout life

Entrepreneurs in Finland must take out statutory pension insurance (YEL insurance) for self-employed persons. Although the name refers to a pension, YEL affects the life of an entrepreneur in a much broader sense.

The YEL income affects the amount of sickness allowance.



*For those born in 1957 or earlier, the insurance obligation ends at age 68, for those born between 1958 and 1961, the insurance obligation ends at age 69, for those born in 1962 or later, the insurance obligation ends at age 70.

You need YEL insurance if

- you are an entrepreneur and between 18 and 69 years old*
- your entrepreneurial activities continue for a minimum of four months
- your estimated income is more than €9,423.09 per year (2026).

YEL insurance must be taken out within six months from starting a business. The insurance is based on the entrepreneur's YEL income confirmed by a pension insurance company. The YEL contribution is paid for all months of entrepreneurship. If the insurance is taken out after starting a business, the contribution must be paid retroactively. If you work as a self-employed person while drawing an old-age pension, you can take out voluntary YEL pension insurance until you reach the upper age limit for YEL insurance.

Assessment of earned income

The YEL income is always assessed on an annual basis. The earned income should correspond to the annual salary you would pay an employee with the same professional skills. Thus, the YEL income is not the same thing as the profit generated by your company or the salary you earn as an entrepreneur, but the monetary value of your work input.

The YEL income determines the amount of your insurance contribution. The contribution is lower with lower income, but with too little income, the entrepreneur's social security and pension security may remain inadequate. For example, sickness allowance, parental allowance and earnings-related unemployment allowance are calculated on the basis of the YEL income, not on the basis of earned salary.

Confirmed YEL earned income affects the amount granted in the following benefits:

- sickness allowance
- parental allowance
- earnings-related daily allowance
- disability pension, rehabilitation allowance
- vocational rehabilitation
- old-age pension
- partial old-age pension
- years-of-service pension
- survivors' pension

YEL contributions

The YEL contribution of confirmed income is 24.40% .

NOTE! A new entrepreneur will receive a discount of 22% for the first 48 months. Thus, the YEL contribution is 19.032 percent of your earned income. The insurance premium can be paid 1, 2, 3, 4, 6 or 12 times per year. The entrepreneur's pension insurance contribution is fully tax deductible. You can deduct the YEL contributions in your personal or your spouse's taxation or in your company's taxation. The right of deduction depends on who pays the insurance.

Use the YEL income calculator to estimate your earned income.
WWW.TYOELAKE.FI/EN/

YEL premiums and entrepreneur's social security benefits 2026***

Source: Varma Mutual Pension Insurance Company



Annual YEL income	YEL contribution 24.4%		Contribution for new entrepreneurs 19.032% ³⁾		Benefits ¹⁾				Pension accumulation
	Per Year	Per Month	Per Year	Per Month	Sickness allowance €/day	Parental allowance €/day	Unemployment allowance** €/day	Accident allowance €/month	YEL pension accrued in one year under YEL insurance €/month ²⁾
€9,423.09	€2,299	€192	€1,793	€149	€21.98*	€31.99	€37.21**	€785	€11.78
€12,000	€2,928	€244	€2,284	€190	€28.00*	€31.99	€37.21**	€1,000	€15.00
€15,481	€3,778	€314	€2,946	€246	€36.12	€36.12	€47.47	€1,290	€19.35
€20,000	€4,880	€407	€3,807	€317	€46.67	€46.67	€55.35	€1,666	€25.00
€25,000	€6,100	€508	€4,758	€397	€58.33	€58.33	€64.07	€2,083	€31.25
€30,000	€7,320	€610	€5,710	€476	€66.77	€70.00	€72.79	€2,500	€37.50
€40,000	€9,760	€813	€7,612	€634	€71.78	€91.48	€92.23	€3,333	€50.00
€50,000	€12,200	€1,017	€9,516	€793	€76.76	€104.81	€98.87	€4,167	€62.50
€80,000	€19,520	€1,627	€15,226	€1,269	€91.76	€134.37	€123.59	€6,667	€100.00
€100,000	€24,400	€2,033	€19,032	€1,586	€101.76	€151.04	€139.09	€8,333	€125.00
€125,000	€30,500	€2,542	€23,790	€1,983	€114.27	€171.87	€158.47	€10,417	€156.25
€214,000	€52,216	€4,352	€40,728	€3,394	€158.78	€257.42	€227.46	€17,833	€267.50

1) The amount of the allowance is an estimate. The final amount must be verified with the entity providing the grant. For example, the amount of sickness allowance is based on the past 12 months' earned income.

2) The life expectancy coefficient has not been taken into account in the accrual of the pension. Requires that YEL contributions have been paid.

3) A new entrepreneur receives a discount of 22% on insurance contributions for the first 48 months.

* Amount of YEL daily allowance for the first 9 days of illness. After that, the minimum rate of sickness allowance is €31.99/day.

** The right to earnings-related unemployment benefit when the amount of earned income is at least €15,481. Note! Earnings-related unemployment allowance requires that

the employment condition and the unemployment fund membership condition are met. The table shows the amount of the benefit at the start of the daily allowance period.

*** The final amount of the insurance contribution depends on the number due months of YEL contribution, as the YEL contribution always includes interest on insurance premiums. The YEL contribution is the lowest when the entire year's YEL contribution is paid in advance in January.

Note

The Government aims to develop the pension system for entrepreneurs (YEL). In December 2025, the Ministry of Social Affairs and Health published an expert report on how entrepreneurs' pension contributions and the determination of entrepreneurs' earned income could be developed. Following this, the Ministry launched a dialogue with entrepreneurs and is consulting them extensively.

Source: WWW.TYOELAKE.FI/YRITAJAN-ELAKETURVA/

A welcoming one-stop shop for older people

When chronic migraine robbed Valma of her dream of becoming a doctor, the future looked uncertain for a while. But then there was an idea that would change everything.

In 2022, Valma and her partner Paulus Linnanmäki decided together with Valma's father to set up a family business that would help older people live at home longer. This was the beginning of Famula Oy, which has grown into a home care company that now operates in five wellbeing services counties.

However, the beginning of Famula was not quite this straightforward.

“Due to her condition, Valma was unable to attend medical school, but it also gave her a new direction. When we thought about what we could do that would be something meaningful, we came up with the idea of a home care company and genuinely being with the customers every day”, Paulus explains.

The couple had to persevere to get their idea off the ground, however, as their start-up grant application was rejected. The aspiring entrepreneurs were told that it is unlikely that Valma could be an entrepreneur. The couple didn't let the rejection discourage them. On the contrary, it gave them a boost.

“If we hadn't believed in ourselves, Famula wouldn't exist. We wanted to show that success can grow even from setbacks”, Paulus explains.

The company soon found its first customers.

“When Valma's first customer said, ‘You are like my own daughter to me, without you I couldn't live at home’, we understood how important our work is”, Paulus says.

Growth based on values

Famula's values are based on warmth, human touch and an unhurried approach.

“The best thing about being an entrepreneur is that it allows us to do things according to our values. We take our time when we go see our customers. We don't run around trying to stick to a strict schedule”, Paulus says.

The company has an ambitious vision: Famula wants to be Finland's best-known brand in the care sector by 2030. The Group already includes several regional companies in different parts of Finland, and the business has been profitable from the outset without borrowed capital. In 2025, Famula

The best is that we can do things according to our values.

Group's turnover amounts to almost EUR 1 million.

Valma will start studying to become a nurse in early 2026, and Paulus has recently graduated as an economist. Despite their young age, the couple is motivated by their strong vision of what business operations should be like. To the couple, growth is not measured in money alone. Instead, they want to increase everyday wellbeing. They are now surrounded by a community they call the 'Famula family'. According to the entrepreneurs, human values attract people who consider them to be important.

“Entrepreneurship fits modern lifestyles”

Tarja Pöyhönen, Business Advisor at Kuopion Seudun Uusyrityskeskus, says that Paulus and Valma were determined from the start; the company is a value-based business grown from a desire to help and work with a heart.

According to Tarja, Famula is an excellent example of how entrepreneurship can also offer opportunities for those with limited work ability or who need a flexible way of working.

“Being an entrepreneur does not necessarily mean working from five to nine. Instead, it can be adapted according to your current needs. These kinds of companies fit our current social situation like a glove”, Tarja explains.

Famula has grown rapidly, but the value at its core is still the same: treating every customer with heart and genuine compassion.

“Our goal is happy old age that allows everyone to live their life as they see fit in their own home. We want to be a one-stop shop for the elderly, or a place where you can find everything you need to live at home happily and safely.



Famula entrepreneurs Paulus and Valma Linnanmäki are the New Entrepreneurs of the Year 2025.

The form of enterprise matters

Our business advisors are often asked what is the best form of enterprise. There is no universal answer to this, because the choice of the form of the enterprise must always be made based on the case. The business advisors at the Enterprise Agencies will help you find the best form of enterprise for you.

The main forms of enterprise in Finland are a private trader, a limited liability company, a cooperative, a general partnership and a limited partnership. The most common forms are private trader and limited liability company.

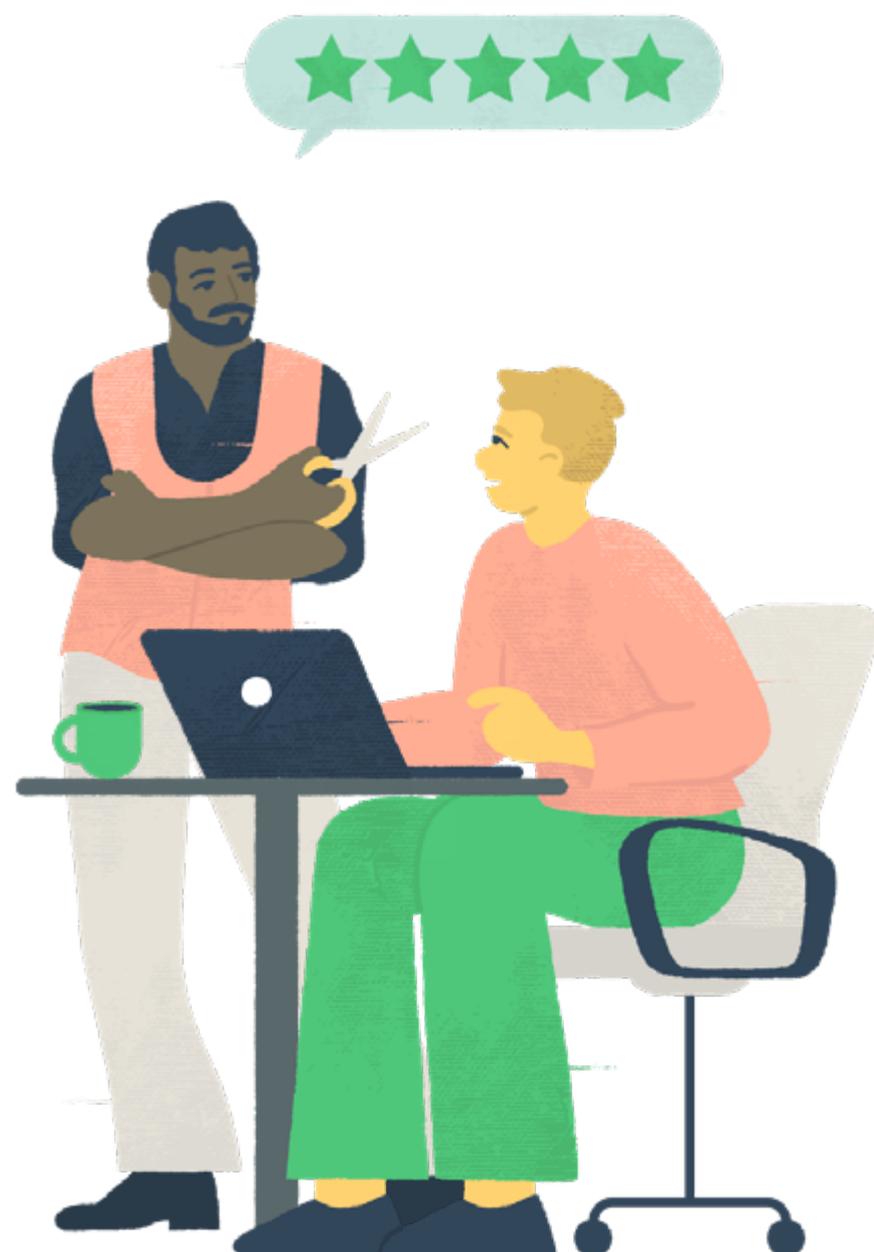
The choice of form of enterprise is affected by

- the number of founders
- the need for equity and its availability
- the responsibilities and decision-making
- the flexibility of business operations
- the continuity of business operations
- the attitude of the financiers
- the risks of the business operations
- profit distribution and covering losses
- taxation.

Private trader

Being a private trader means that you are conducting a business alone or with your spouse. Even if you start up a private trader company together with your spouse, the company is only registered under the name of one party. Private traders often work alone, but with a private trader, you can hire employees as with other forms of enterprise.

As a private trader, you will make all decisions yourself and be responsible with your personal assets for the company's commitments such as debts. »



Start-up notifications are submitted via the YTJ online service at

WWW.YTJ.FI/EN.

» This means that there is personal risk attached to private trader companies. If you only sell your own work, the risk in practice is very small. You can also control the risks through insurance and careful accounting. Using an accountant or a bookkeeper is in any case highly recommended for entrepreneurs, so you can concentrate on creating profit. A private trader has no board of directors or a managing director. An audit is also not mandatory, so the administration of a private trader is very light.

As a private trader, you cannot pay yourself a salary. Instead, you will withdraw money from the company account. This is called a private drawing. This is simpler than paying salaries at a limited liability company, because no withholding taxes et cetera are paid. You will pay taxes for your business according to the annual income. Even though you own your private trader company, you must, through accounting, separate the company's finances from your own.

A private trader is often the most suitable form of enterprise for a fresh entrepreneur with a maximum turnover of up to a few tens of thousand euros. A private trader can later be changed into a limited liability company if the business grows. A private trader is also the easiest form to "put on hold" if there are changes in your life.

Setting up a private trader

Setting up a private trader is easy, and no separate notification documents are necessary. NOTE! It is not always necessary to register as a private trader with the Finnish Trade Register. Instead, you can report that you have started a business in the MyTax service and obtain a business ID through it. Business ID (Finnish company registration number) is a unique identifier for companies in Finland. You can also register in the prepayment, VAT and employer registers at the same time. Registration is free of charge. WWW.VERO.FI/EN > eFile > MyTax

However, it is recommended that you register with the Trade Register so that you can register the company name you have selected and have exclusive rights to use it. Please note that a public postal address must always be entered in the Trade Register, but it is voluntary to provide a telephone number. We recommend leaving out the phone number to prevent scam calls.

If you complete the notification online, you must also make a separate notification to the Tax Administration register either through the MyTax service or by using YTJ's notification of changes. Once the company is registered, the Tax Administration will send you instructions on how to file and pay taxes.

When you are setting up a private trader, it is not necessary in all cases to register with the Trade Register. However, it might be a wise choice so that you can have an exclusive right to your company name.

You can register with the Trade Register if:

- you are at least 18 years old
- you are not bankrupt and your legal competency has not been restricted.

Once your company is registered, you get protection for your company name and can apply for an enterprise mortgage as a security for a loan.

If a private trader has prohibited the disclosure of their data from the Population Information System, they are not obliged to submit their contact details for registration. There is a fee for registering at the Trade Register. The fee for processing the application for the establishment of a sole trader's business (trading name) is €75. Check the current price at WWW.PRH.FI/EN > Price lists > Hinnasto

Limited liability company

You can start up a limited liability company alone or with other people. A limited liability company is a good form of enterprise especially when there is

more than one entrepreneur. It can also be established by a community. The Limited Liability Companies Act does not set requirements for the shareholders' place of residence or domicile, which means that the founders can live outside the European Economic Area.

When setting up the company, you and other potential founders must issue all of the company's shares. As a shareholder, you are not personally responsible for the company's commitments, but instead you are responsible with the capital that you invest in the company. This means that in a limited liability company, the personal risks are lighter than those of a private trader. In principle, however, members of a limited liability company often guarantee the company's loans, and thus there is a risk. When starting up a business and planning its operations, you should remember that the form of enterprise alone does not protect anyone, but instead the risks must be managed through thorough planning and by quickly responding to changes.

A limited liability company is an independent legal entity, which means that its assets are separated from the owners' assets. The company's affairs are decided upon by shareholders, and power in decision-making is distributed according to the shares. Usually a person with more shares also has more power in decision-making. There can, however, be differences in shares: certain shares can carry more power in decision-making than others.

A limited liability company can pay entrepreneurs and employees a salary which is subtracted from the company's profit and loss. It can also pay its owners a dividend. A 20-percent corporation tax will always be collected from the limited liability company's income for a financial period. The salary paid to an entrepreneur will always be taxed as earned income, and dividends will be taxed as capital income or earned income according to the amount and the company's net assets. »



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» A limited liability company must have a board of directors which will be chosen by shareholders. If the board of a limited liability company has fewer than three members, at least one deputy member must be elected to the board. The board takes care of the company's administration and represents the company. It can choose a chief executive officer (CEO) to run the company's day-to-day management. Choosing a CEO is not mandatory, however. In addition, a limited liability company must organise a general meeting and usually choose an auditor. An auditor must be appointed for an organisation where at least two of the following conditions were met during the financial period that has ended and during the financial period immediately preceding it: the balance sheet total exceeds 100,000 euros, the net sales or comparable revenue exceeds 200,000 euros; or the average number of employees exceeds three during the financial period.

The requirements for board members and deputy members often comes as a surprise for new entrepreneurs. If you are setting up a company alone, it is worth considering if a limited liability company carries too much administrative work compared to a private trader. A limited liability company is a suitable form of enterprise especially when there are several founders and the company aims at growth. A limited liability company must provide the Finnish Patent and Registration Office with information on its actual beneficiaries, i.e. persons who have ownership or control. The beneficial owners are reported when the start-up notification is submitted. Alternatively, the company can submit a separate, free-of-charge notification of the beneficial owners.

From 2025 onwards, the Finnish Patent and Registration Office may impose a negligence fee due to incorrect or incomplete beneficial owner information. The basic negligence fee is EUR 300, but for public limited liability companies is EUR 600. More information about the negligence fee in Finnish WWW.PRH.FI > Laiminlyöntimaksu.

If the company does not provide information on its beneficial owners

or correct the incorrect information despite being requested to do so, the Finnish Patent and Registration Office may order the company to liquidate or remove it from the Trade Register.

Setting up a limited liability company

A limited liability company is created when it is registered with the Trade Register. Setting up a limited liability company requires a written memorandum of association, signed by all shareholders. Articles of association are attached to the memorandum, and they must include a minimum of three items of information: company name, place of registered office and line of business.

The memorandum of association must mention

- the date of the memorandum
- all shareholders
- shares issued by each shareholder
- price per share paid to the company in euros (issue price)
- date for the payment of shares
- members of the board of directors.

If necessary, the CEO and auditors must also be mentioned. The financial period must be determined either on the memorandum of association or in the articles of association.

You can complete the start-up notification for a limited liability in the YTJ online service. You can choose from two alternatives:

Alternative A: Guided set-up package

The service creates a memorandum of association and standard articles of association.

Alternative B: Start-up notification

You will add the drafted documents and the articles of association in the service. Read more: WWW.YTJ.FI/EN Notifications > Instructions for filling in start-up notification forms on paper.

For the guided incorporation of a limited liability company in the YTJ Business Information System of the Finnish Patent And Registration Office And Finnish Tax Administration, the handling fee for option A is €300, and for option B the handling fee is €400. Check the current price at WWW.PRH.FI/EN > Price lists > Hinnasto.



Shareholder agreement

If there is more than one founder, it is always a good idea to draw up a written shareholder agreement. It is a contractual document that defines the relationships between shareholders as well as their rights and obligations in the company. The agreement should be drawn up carefully and with consideration. Changing the agreement after starting the business can be difficult if disagreements arise between you and your business partners. Changing the shareholder agreement always requires a joint agreement between all of the parties.

The shareholder agreement can describe, for example

- the organisation of the company's operations
- task distribution
- profit distribution
- restrictions to choosing shareholders
- principles for redeeming shares
- non-competition
- what happens to shares in the case of the death of a shareholder.

»

» Cooperative

A cooperative is a company that can be formed by one person or several people. Members can be private individuals, companies or other communities. A cooperative can be a consortium of entrepreneurs, an employer or a combination of these two. Each entrepreneur member can operate in their own sector or with their own clients, but all invoicing is performed through the cooperative. Employee members work in an employment relationship, and the cooperative concludes contracts and takes care of invoicing. In case of a worker cooperative, pay attention to



the characteristics of the employment relationship and statutory obligations; if the members act as independent entrepreneurs, specify this clearly.

A cooperative is a flexible form of enterprise where the number of members can fluctuate, if necessary. The Board of Directors of a cooperative usually decides on the admission of new members, unless otherwise provided in the statutes, and a membership cannot be bought or sold. Members can somewhat freely agree on their responsibilities and liabilities in the membership agreement, which supplements the rules, drawn up during the founding of the company.

A cooperative is an independent legal entity. The financial responsibility of a single cooperative member is usually restricted to the cooperative fee that they have paid upon joining. Note, however, that in order to operate, a cooperative needs funds, and members may need to personally guarantee the company's loans.

The cooperative will decide on the cooperative fee in their rules. Members of a cooperative pay a cooperative fee, which can be specified in the rules (nominal value share) or determined in the general meeting of the cooperative (non-nominal value share). At the meeting of the cooperative, the members decide on matters such as the members of the Board of Directors and on the approval of the financial statements. The cooperative is managed and represented by its Board of Directors. The cooperative can also choose a CEO, if it so chooses.

The cooperative's net assets and surplus belong to the cooperative. The rules can govern their distribution and grounds for distribution. However, the aim of a cooperative is usually not to

create a surplus but to produce services to the members.

The benefit of a cooperative is that together it is easier to be effective and cost-efficient than alone. Marketing can benefit all members, and things such as materials can be more affordable as the orders are larger. In a cooperative, joint tasks can be distributed according to members' skills. A cooperative may also hire other employees in addition to its members. When operations are more concentrated, entrepreneurs have more time for their own profession. In addition to costs, risks are also distributed.

For a community to be efficient, members must be committed. Disagreements can arise if one member takes on fewer responsibilities than another or if someone is deviating from common rules to pursue their own interests.

Setting up a cooperative

To set up a cooperative, a written memorandum of association is drawn up and signed by all members. Once the members have signed the memorandum, the cooperative must submit a start-up notification to the Trade Register. The cooperative is created through the registration.

The cooperative's financial period must be determined on the memorandum of association or in the rules. The cooperative's rules are attached to the memorandum, and the rules must at a minimum state the company name, domicile in Finland and its line of business. In addition to mandatory rules, the rules can mention, among other things, the CEO, as well as additional fees and obligations for additional payments. Standard legal regulations are applied to issues

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Security and support for entrepreneurship

The future can't be predicted, but you can prepare for risks. Only by joining the Entrepreneur Fund can you receive earnings-related unemployment daily allowance as an entrepreneur.

In addition, we offer personalized advice and training to support your entrepreneurship. Even the membership fee won't strain your wallet — it starts at only about **€8.50** per month.



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yrittajakassa.fi/en

» that have not been covered in the cooperative rules.

Submit the start-up notification using the Y1 form, the appendix 2 form and the personal data form. From the beginning of 2026, the notification and its appendices must be sent electronically to the Trade Register using an online form. The cooperative must be registered in the Trade Register no later than three months after signing the memorandum of association. Otherwise the foundation becomes void. Read more: WWW.PRH.FI > Yritykset ja yhteisöt > Yrityksen perustaminen > Osuuskunta

Cooperatives are also obliged to report and keep up-to-date information on beneficial owners, i.e. persons who have ownership or control. In addition to mandatory rules, the rules can mention, among other things, the CEO, as well as additional fees and obligations for additional payments.

From 2025 onwards, the Finnish Patent and Registration Office may impose a negligence fee due to incorrect or incomplete beneficial owner information. The basic negligence fee is EUR 300, but for public limited liability companies is EUR 600. More information about the negligence fee in Finnish: WWW.PRH.FI > Laiminlyöntimaksu

If the cooperative does not provide information on its beneficial owners or correct the incorrect information despite being requested to do so, the Finnish Patent and Registration Office may order the cooperative to liquidate or remove it from the Trade Register.

The processing fee for the declaration of formation of a cooperative is €400. Check the current price at WWW.PRH.FI/EN.

Member agreement

The internal matters of the cooperative should not be registered in the afore-

mentioned legal rules because the rules are a public document, available to everyone. The principles for operational matters should be registered in a separate member agreement that is not attached to the memorandum of association.

The purpose of the member agreement is to create ground rules for the cooperative to clarify the company culture and to ease the members' day-to-day activities in the cooperative.

The member agreement should cover

- the handling of administrative issues
- the distribution of tasks
- responsibilities
- how to deal with disagreements
- the selection criteria for new members
- maintaining client relationships
- internal and external communications
- quality assurance
- the scheduling and pricing of projects.

The member agreement should also mention sanctions for deviating from the rules. For significant violations, the sanction can even be a dismissal.

Additional information:

STARTCOOPERATIVE.PELLERVO.FI/ »

Must be mentioned in the cooperative's memorandum of association

- the date of the memorandum
- all founding members
- memberships issued by the founders
- fee to be paid to the cooperative for membership (issue price)
- date for membership fee payment
- board members

If necessary, you should also mention

- the CEO, the auditors and operations inspector
- members (and the chair) of the supervisory board
- if the afore-mentioned are given shares: shareholders and shares issued to each shareholder, price to be paid to the cooperative for a share (issue price), date for share payment.



WWW.PERUSTAJANOPAS.PELLERVO.FI



» Partnerships: a general partnership and a limited partnership

A general partnership and a limited partnership are partnerships that require at least two partners/people as founders. Usually these are natural persons, but a partner can also be a legal entity, i.e. a company or a community. In a partnership, the activities are usually based on individuals, so it can be a good option when the business is focused on the partners' professional skills or personal work contribution.

The partners will invest in the company in the form of money, assets or work. In a general partnership, a partner's work contribution is an adequate investment. All partners are responsible for the com-

pany's commitments with their entire personal property and will together decide on the company's issues, unless otherwise agreed.

In a limited partnership, there are two kinds of partners: active and silent. The company must have at least one active and one silent partner. For an active partner, a work contribution is an adequate investment. A silent partner must invest money or assets with monetary value. The law does not, however, regulate how large the investment must be. A silent partner does not have the right to participate in decision-making inside the company, unless otherwise agreed. They are also not responsible for the company's issues without a separate agreement stating otherwise.

In a general partnership, the partners are equally responsible for the company's commitments; in a limited partnership, the responsibility falls on the active partners equally. If one partner makes a commitment, the others are also responsible for it.

**All forms of
enterprise
require successful
risk management.**



Partnerships are somewhat unpopular, but in some cases, they can be an excellent form of enterprise. A general partnership is a cheaper and lighter option for joint entrepreneurship than a limited liability company, and a limited partnership suits a single entrepreneur with a private investor.

The benefit of partnerships is that they are easy to establish and administer. However, they require clear agreements and a mutual understanding. A partnership is usually a good choice for family companies.

Setting up a partnership

The partners will draw up a written memorandum of association, which, according to the law, must include the company name, domicile in Finland, line of business and partners.

The articles for a limited partnership must also mention the active and silent partners, as well as the value of each silent partner's contribution in euros.

General partnerships and limited partnerships must disclose the beneficial owners if the beneficial owner is a person other than a partner. After signing the memorandum of association, the company should be registered with the Trade Register and the Tax Administration. A notification should be submitted to the Trade Register using form Y2. A personal information form must also be completed. The memorandum of association must be attached to the notification. From the beginning of 2026, the notification and its appendices must be sent electronically to the Trade Register using an online form. The registration must be completed within three months of signing the memorandum of association, otherwise the foundation becomes void. Read more: WWW.PRH.FI/EN > Companies and organisations > Start a business > General partnerships and limited partnerships. The processing fee for the notification of the formation of a general partnership and a limited partnership is €300. Check the current price at WWW.PRH.FI > Price lists > Hinnasto.

In addition to the legal articles, it is worthwhile for a partnership to draw up a partnership agreement that is not attached to the start-up notification. »

» Light entrepreneurship – an easy and flexible way to get started in business

Light entrepreneurship in Finland refers to running business-like activities without registering a formal business entity (business ID), typically by using an invoicing service that handles payments and taxes on your behalf. It is not an official form of enterprise, but a practical way of managing invoicing and payments for people who want to run their business flexibly and on a small scale. However, light entrepreneurs should remember that they are always responsible for income, taxation and insurance.

Pay attention to the terminology:

Currently, some invoicing services use the term 'light entrepreneur' also when a person registers their own business ID. This is not light entrepreneurship in its original meaning. Instead, the person is a fully-fledged entrepreneur with their own business ID and all the obligations that come with running a business. The invoicing service may, for instance, handle accounting and complete your tax return on your behalf, but you are ultimately the person responsible for them. Entrepreneurship with a business ID offers more opportunities (e.g. deductions and investments), but it also means more responsibilities than working through an invoicing service.

It's important to be aware of these differences and know what services are included in your contract and at what price.

Benefits of light entrepreneurship (without a business ID)

- Flexibility and freedom: As a light entrepreneur, you can decide on your own work schedules and customers. This gives you the freedom to work on your own terms.
- A risk-free start: Light entrepreneurship is a great way to test your business idea with a low risk before starting your own business.
- No administrative obligations: The invoicing service takes care of your tax, insurance and other legal obligations, so you can focus on your work.

Who is it suitable for?

Light entrepreneurship is suitable for

people who want to try out a business idea without a great risk, take on occasional projects or combine entrepreneurship with paid employment or studies. It can be a good way to see if there is enough demand before starting your own business.

When is light entrepreneurship not possible or the primary option?

Light entrepreneurship is not possible or the primary option if:

- The sector is subject to an authorisation or notification (e.g. taxi services, food and beverage services, private social and health care services, security sector). In this case, you will need your own business ID and official permits.
- You want to apply for a start-up grant. It can only be granted for starting a business with a business ID (if the prerequisites are met).
- Your operations require significant purchases, stock, equipment or material purchases. Deductions cannot be made through an invoicing service in the same way as with your own business ID.
- Your customers or partners require that you have your own business ID.
- You are planning to hire an employee.
- The work meets the characteristics of an employment relationship (agreement, working on behalf of another person, remuneration, personal obligation to work, working under the control and supervision of another person).

These situations represent an employment relationship, not entrepreneurship.

Taxation and insurance

In employment and social insurance legislation, individuals who use invoicing services are usually considered to be entrepreneurs. This means that light entrepreneurs must take out YEL insurance if they meet the statutory income limits. The invoicing service company may offer liability insurance and accident insurance. Always check your insurance cover with your invoicing service and find out if you need to take out other insurance policies.

Invoicing service companies are based on different models: they can pay income either as wages or non-wage

Things to consider: Wage-earner or entrepreneur?

Light entrepreneurship may seem like an easy solution for workers and clients, but it is important to recognise the difference between a wage-earner and an entrepreneur. When the characteristics of an employment relationship are met, the arrangement is an employment relationship and not light entrepreneurship.

More information about the characteristics of employment relationship: [TYOSUOJELU.FI](https://tyosuojelu.fi) > Occupational Safety and Health Administration > Characteristics of an employment relationship



Note:

The amount and content (e.g. accounting, insurance, collection services) of the service charges for invoicing services vary. It's always a good idea to compare the alternatives before making your decision.

compensations for work. It's important to check with the invoicing service about which income you receive and what kind of a tax card you need.

Value-added tax (VAT):

If you use an invoicing service without your own business ID, VAT is always added to the invoice starting from the first euro you earn. This is because the invoicing service company is liable to pay VAT, which is why the lower limit of EUR 20,000 does not apply.

If the invoicing service pays non-wage compensations for work, the light entrepreneur may also be liable to pay VAT. If the sales exceed EUR 20,000 per calendar year (in 2026), the light entrepreneur must apply for VAT registration. Read more: [VERO.FI/EN](https://vero.fi/en) > When do light entrepreneurs give rise to VAT?

Advantages and challenges of different forms of enterprise

	Sole entrepreneur	Limited company	Cooperative	General partnership	Limited partnership
Benefits	<ul style="list-style-type: none"> • Easy to set up • Straightforward administration • Simple to reward yourself with a share of the company's income • Easiest form of company to put on the shelf if one's life situation changes 	<ul style="list-style-type: none"> • In principle, no personal risk: the shareholder is only liable for debts with the capital invested • Enables tax planning 	<ul style="list-style-type: none"> • Members only liable for commitments with the amount of their contribution • Doing things together can allow share costs and risks • Communal spirit • Equality and democracy in decision-making 	<ul style="list-style-type: none"> • Easy to set up • Straightforward administration 	<ul style="list-style-type: none"> • Easy to set up • Straightforward administration
Challenges	<ul style="list-style-type: none"> • Personal risk: the entrepreneur themselves is responsible for their debts and other liabilities 	<ul style="list-style-type: none"> • Requires management (which can be outsourced) • Difficult to quit 	<ul style="list-style-type: none"> • Requires management (which can be outsourced) • Difficult to quit 	<ul style="list-style-type: none"> • Requires precise agreement, understanding and trust 	<ul style="list-style-type: none"> • Requires precise agreement, understanding and trust
Who it's suitable for	<ul style="list-style-type: none"> • For a sole entrepreneur who does not have large investments • Small-scale business 	<ul style="list-style-type: none"> • Several founders • Growth-oriented business • Operations require investment or funding 	<ul style="list-style-type: none"> • For several people doing the same or similar work who can benefit from common company functions • When membership is liable to change • For people who want to be part of a community 	<ul style="list-style-type: none"> • For entrepreneurs who cannot work under a trading name • For family businesses 	<ul style="list-style-type: none"> • For entrepreneurs who cannot work under a trading name • For family businesses • For a sole entrepreneur with a private financier
Minimum number of founders	<ul style="list-style-type: none"> • The entrepreneur alone • A spouse can also be involved in the business 	<ul style="list-style-type: none"> • One 	<ul style="list-style-type: none"> • One • Membership may vary 	<ul style="list-style-type: none"> • Two 	<ul style="list-style-type: none"> • Two, one of whom is a general partner and the other a silent partner
Minimum capital	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • A limited company can be established without share capital 	<ul style="list-style-type: none"> • None • Variable capital 	<ul style="list-style-type: none"> • No financial contribution; labour is enough 	<ul style="list-style-type: none"> • A contribution in cash or in kind is required from the silent partner
Highest decision-making body	<ul style="list-style-type: none"> • The entrepreneur themselves 	<ul style="list-style-type: none"> • Shareholders at the company's annual general meeting • Annual general meeting to be held within six months after the end of the financial year 	<ul style="list-style-type: none"> • Members at the cooperative meeting • Annual general meeting to be held within six months after the end of the financial year 	<ul style="list-style-type: none"> • Shareholders jointly or as agreed in the memorandum and articles of association 	<ul style="list-style-type: none"> • The general partners jointly or as agreed in the articles of association
Statutory bodies	<ul style="list-style-type: none"> • The entrepreneur themselves 	<ul style="list-style-type: none"> • Board of directors with at least one full member and one alternate member 	<ul style="list-style-type: none"> • * Board of directors with at least one full member and one alternate member 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None
Responsibility for company commitments	<ul style="list-style-type: none"> • The entrepreneur themselves 	<ul style="list-style-type: none"> • Shareholders by the amount of their invested capital, unless they have provided guarantees to secure the loans 	<ul style="list-style-type: none"> • Members by the amount of their invested capital (usually the contribution), unless they have provided guarantees to secure loans 	<ul style="list-style-type: none"> • Partners (including for commitments made by each other) 	<ul style="list-style-type: none"> • General partners (also for commitments made by each other) • The silent partner is only liable for the amount of the contribution

From friends to entrepreneurs

Being able to tailor your services is a great competitive advantage.

The energetic idea of childhood friends grew into a company that offers smart and ecological solutions for homes and companies. The customer comes first – always.

When Toni Oinonen and Ville Lintunen founded Solves Oy in Varkaus in 2020, they wanted to do something that reflects their own values and to create a business where responsibility and customer orientation are seen in every aspect of the business' daily operations. Neither of them had much experience of running a business, but their experience in the energy sector provided a strong foundation.

Before starting the company, Toni had worked as an engineer in projects all around the world for 17 years, while Ville had expertise in sales and installations.

“We felt like we had exhausted all the options our careers could offer to us. The idea of starting our own business grew gradually from part-time work, and it then grew into a credible alternative after we did some calculations”, Toni and Ville explain.

Toni and Ville were already familiar with Sanna Hietalah-ti-Husu, a Business Advisor at Wäläkky Keski-Savon Uusyrityskeskus, making it easy to contact her.

Sanna sees that Toni and Ville's strengths lie in the customer-oriented service and solid technical expertise combined with the local partner network.

“Toni and Ville have a strong understanding of their customers and the desire to develop and grow their business. Being able to tailor your services offers a good competitive advantage that helps you succeed despite the challenges currently facing the construction industry”, Sanna adds.

Growth, balance and shared insights

Solves Oy offers energy and indoor air solutions under one roof in an ecological and customer-oriented manner. The company supplies and installs heat pumps, photovoltaic systems and ventilation equipment and does electrical work and pipe installations. The company's goal is to give its customers solutions that produce value.

The company was set up without any external funding as the founders were able to finance it by themselves. Toni and Ville contacted Sanna again when applying for the investment grant.

The first employee – an apprentice – was hired after six months. Growth was not an end in itself, but running a business was motivating.

“We have grown in a controlled and sensible manner, and our employees are highly motivated”, Toni says.

The friends don't always think alike, which has not only required negotiations but also helped the company develop.

“I would be lying if I said it has always been smoothing sailing, but our values and direction are always the same”, Ville explains.

A serious endeavour with a twinkle in the eye

Toni and Ville run Solves Oy in a practice-oriented manner. Their days are spent in the field: first morning coffee in the warehouse with the team, then cleaning and loading goods to vans and then driving to customers to install the equipment. The men take their work seriously and always put the customer first but also have a sense of humour about that they do. Naturally, some of their time is also spent on administrative matters and developing the business operations.

The success of Solves is based on listening to the customers and keeping promises. With high customer satisfaction – rated 4.9 out of 5 – it is clear that the company is trusted in its area.



Stand out with a name and protect your ideas

When you are setting up a business, one of the biggest decisions is the name of your company. The names of products and services are also important. The name creates a basis for your corporate brand which helps you to stand out among the competition.

The name must always be distinguishable and it cannot be in use. When considering a name, make sure that a suitable domain is available. Also consider how you can protect your intangible assets.

Look into name options

Invest in the choice of a name. A good name is catchy, easily remembered and distinguishable and it supports your business. Also make sure that another company is not using the name as a company name, a trademark or a web domain. The Finnish Patent and Registration Office has a Name checking service for companies where you can check in advance whether the name you

Applying for a trademark should be done carefully.

are considering can be registered: **NIMI-PALVELU.PRH.FI/NIPA/EN**.

Obtain a domain

Once your company has a name, it is time to register a web domain for the company. A national domain is by

default intended for sites in that specific country. The Finnish national domain ends in **.FI**, and it is most common in Finland. To register a domain, you will need a registrar. They will often also offer other services for the domain, such as an email service and web hosting.

Everyone registering a domain must make sure that the domain does not infringe someone else's protected name or domain. You could lose the registered domain if the owner of the infringed name or trademark so insists. For more information on **.FI** domains, visit the Finnish Transport and Communications Agency website: **WWW.TRAFICOM.FI/EN** > Communications > FI domains.

You can obtain information about generic domains **.COM**, **.NET** and **.ORG**, by >>

Managing a company's intangible assets in a nutshell

Protection	Purpose	Validity
Company name	Protects the company name.	Perpetual as long as the company is in operation
Trademark	Protects the name of the product or service or another identifier.	Eternal, renewal every 10 years
Patent	Protects a new and inventive product, device or method.	20 years (annual fees), certain products 25 years
Utility model	Protects a simple device or product invention.	10 years, valid for 4 years, renewal first for 4 years and then for 2 years
Design right	Protects the external form of the product.	25 years, valid for 5 years, renewal every 5 years
Domain	Protects your domain.	Min. 1 year, max. 5 years (FI domain)

- » using the search engines operated by web ID brokers.

Rights to intangible assets – IPR

Ideas are easy to copy. Therefore, you should protect your skills, business ideas and results of product development, which constitute the company's intangible assets. The abbreviation IPR comes from the words Intellectual Property Rights.

You should carefully consider in advance how to protect your company's products, services and inventions. Protection methods include a trademark, a patent, utility models and a design right.

Read more about intellectual property: WWW.PRH.FI/EN > Intellectual property rights.

Trademark for a product or a service

A business name alone is not enough to protect your brand. Your products and services will stand out from the competition with a memorable name, logo or other emblem. The best way to protect your IDs is with a trademark. In this case, no other company can use the same mark for the same good or service. Note that the exclusive right and scope of protection that a trademark gives you is limited to the goods and services listed in the application. For this reason, it is advisable to plan the categories of goods or services carefully before applying for a trademark. SUOJAATAVARAMERKKI.FI, WWW.TAVARAMERKKI.FI.

A patent or a utility model for an invention

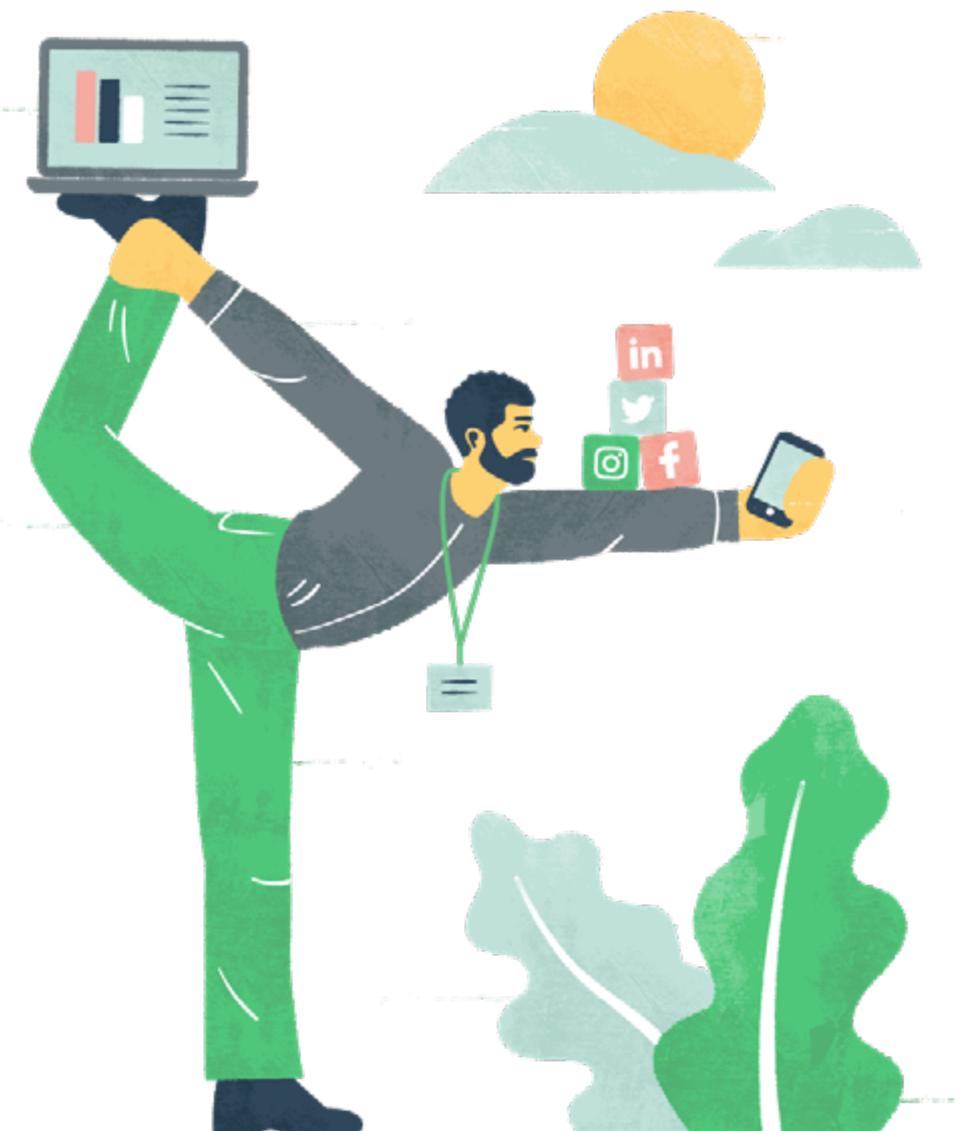
Did you know that an invention or a product developed by you is your property? You should protect it. Potential protection methods for new technical solutions include a patent and a utility model. A patent is an exclusive right that helps you prevent others from utilizing your invention in their business activities. A utility model is,

like a patent, an exclusive right, and it is especially suitable for simple device and product inventions. It can be a suitable protection method for you if you need to protect your product quickly and a 10-year protection period is sufficient. Read more: WWW.PRH.FI/EN > Intellectual property rights > Patents, WWW.PRH.FI/EN > Intellectual property rights > Utility models.

Design right for design products

A design right protects the appearance of a new product or a part thereof. A design is protected by registering the model, which means that the design right applicant confirms an exclusive right to their designed products. Read more: WWW.PRH.FI/EN > Intellectual property rights > Designs.

Ideas can be easily copied if they are not protected.



Activities subject to authorisation

There is freedom of trade in Finland, which means people are generally free to conduct business without a licence. However, there are also some industries for which a licence is required by law. In these fields, you must apply to the competent authority for authorisation before starting operations.

Licences are granted by local authorities (municipalities and cities), the Finnish Supervisory Agency, government departments, local environmental protection authorities and other licensing authorities. In some cases, permits from several different authorities are needed.

Serving alcoholic beverages in restaurants, for instance, is subject to authorisation and requires obtaining an alcohol serving licence, which must be applied for from the Finnish Supervisory Agency. The alcohol serving licence is specific to each trader, and a separate licence is required for each establishment.

Hygiene certification and licences to serve food are also required in the catering industry, and notifications must be submitted to the health inspector, rescue services and building control service. Applications are usually subject to a fee.

Before starting a business, find out if you need to obtain a business licence, submit notifications or register the company based on your intended operations, and if your business operations require approval

by an authority or special professional qualifications. [SUOMI.FI](#) > Permits and obligations – Responsibilities and obligations

Social and health services sector

The Finnish Supervisory Agency grants the right to practise a social and health care profession to professionals trained both in Finland and abroad based on applications.

If you are self-employed as a social care or health care professional, you must also submit a registration application to the Soteri service provider register. Before submitting your application, you need to prepare the documents required by law, such as the action plan, self-monitoring plan and information security plan.

Your Soteri application must be approved before you can start providing social or health care services.

A service provider operating alone under temporary regulation may start their operations once the service pro-

vider has submitted a registration application and provided the information requested in the application under the Act on the Supervision of Social Welfare and Health Care for the registration of the service provider and service unit. Temporary regulation is in force between 1 February 2025 and 31 December 2026.

You can handle your health and social services authorisation and registration matters electronically through the Soteri service. For more information, go to [WWW.LVV.FI](#) > Sosiaali- ja terveydenhuolto > Soteri-rekisteri

Food premises

The manufacture, sale, or serving of food products – also in online shops – requires approval or notification of the food premises. The notification must be submitted to the local food control authority at least four weeks before the start of the operations. The notification is submitted electronically in the Ilppa service ([ILPPA.FI](#)). »



Establishing a company that provides rehabilitation services requires a wide range of planning and practical arrangements. Society, the rehabilitation field and the legislative requirements imposed on companies are changing rapidly, which is why it's important to keep up with the changes and events in the sector in the future as well.

Kuntoutusyritykset is an entrepreneur association that defends the position of entrepreneurs in the rehabilitation sector and helps companies in the rehabilitation sector learn, thrive and develop.



[KUNTOUTUSYRITTAJAT.FI/SOTERI](#)

Content produced in collaboration with Suomen Kuntoutusyritykset ry



In some sectors, starting a business requires authorisation, permission or registration with an authority. Most notifications are submitted to the local supervisory authority responsible for carrying out inspections and providing guidance in the area, while some permit matters are processed at the national level. The following table shows some of the most common sectors:

» The applicant is asked to provide information about the suitability of the premises and self-monitoring in the notification. Building control service must ensure that the premises are approved for the intended use. In some cases, such as the processing of raw animal products, approval by the relevant authority is required instead of notification.

Once the notification has been approved, the food control authority can carry out an inspection when the operations have started, after which it will supervise the company on a risk-based basis. The entrepreneur is responsible for self-monitoring and continuously ensuring food safety. Licences for serving alcoholic beverages are granted by the Finnish Supervisory Agency. The Alcohol trade register Allu is available online at LVV.FI > Alkoholi > Alkoholi-elinkeinorekisteri

Setting up a food business and self-monitoring: WWW.RUOKAVIRASTO.FI/EN

Notification under the Health Protection Act

Activities that may affect human health must be reported to the local health protection authority before commencing the activities. These activities include »

Sector/area	What is needed	Authority / key public actor (starting from 2026)
Food premises	Notification before starting operations (Ilppa service)	Local food control authority / Finnish Food Authority
Services affecting health (e.g. accommodation, aesthetic services, swimming pools, saunas)	Notification of activities affecting health	Local health surveillance / Finnish Supervisory Agency
Alcoholic beverages	Licences for serving and selling alcohol	Finnish Supervisory Agency
Transport	Taxi, public transport and goods transport licence	Traficom
Construction	Construction or planning permission	Local building control service
Security sector	Guard and security steward licences	Police of Finland
Social and healthcare services (private)	Registration of / permit for provision of private social and healthcare services	Finnish Supervisory Agency / Wellbeing services county
Activities affecting environment	Environmental permit for activities that pollute the environment	Finnish Supervisory Agency
Use and storage of chemicals	Permit for use and storage of hazardous chemicals	Finnish Supervisory Agency
Animal husbandry and animal welfare	Permits and notifications for animal husbandry	Local veterinary medical care provider / Finnish Food Authority
Handling of products of animal origin	Notification or permit as required under food legislation	Local food control authority / Finnish Food Authority

» accommodation services, aesthetic and hairdressing services as well as sports centres and swimming pools. Based on the notification, the authority will assess the facilities and activities in terms of their impacts on health and monitor them in the future. The notification is submitted electronically in the Ilppa service ([ILPPA.FI](#)).

Transport sector

Professional transport of passengers and goods is subject to authorisation. Taxi, public transport and goods transport licences are granted by the Finnish Transport and Communications Agency Traficom. Applicants are required to have professional qualifications, a good reputation and sufficient financial capacity. The permit must be obtained before commencing operations.

Copyright permissions

Companies often use ready-made works, such as images, music, texts and videos in their marketing, websites and customer events. The use of these materials is always subject to permission from the creator or a copyright organisation (e.g. Kopioisto, Teosto, Kuvasto). It is

important for a new entrepreneur to ensure that all material used has been appropriately licensed, as unauthorised use may result in liability for compensation. It's a good idea to agree on the rights to use the materials in writing. For up-to-date policies, contact the copyright organisations in the sector.

Additional permits and provisions

In addition, municipalities and cities have their own permit practices for activities such as outdoor advertising and market trading. Imports and exports of goods, on the other hand, require compliance with customs procedures, and separate authorisations for certain products are requested from Finnish Customs. There are also other licensing authorities in specific fields, such as the Finnish Medicines Agency Fimea, the Financial Supervisory Authority and the Energy Authority.



Producer responsibility

Producer responsibility applies to approximately 50,000 Finnish companies as well as foreign distance sellers. Producer responsibility is a statutory obligation.

Producer responsibility means that producers of certain products are obliged to arrange the waste management of products when they are no longer needed. Producers include manufacturers, importers and distance sellers as well as packers. The easiest way for a company to manage its producer responsibility is to join a producer responsibility organisation (PRO). Producer responsibility organisations handle producer responsibility obligations in a centralised manner on behalf of their members.

Producer responsibility applies to:

- Accumulators and batteries
- Electrical and electronic equipment
- Packaging and beverage packaging
- Vehicles
- Tyres
- Paper and paper products

- Fishing equipment containing plastic
- Disposable plastic products (wet wipes, balloons and tobacco products with filters)

There will be changes in the producer responsibility for packaging when the EU's new Packaging and Packaging Waste Regulation takes effect in August 2026. Textiles, textile products and footwear will be covered by producer responsibility in 2027, and the same will apply to medicines and cosmetics products in 2028.

Producer responsibility organisations charge their members annual recycling fees based on the amount of products placed on the market. Neglecting producer responsibility may result in a substantial fine.

The Finnish Supervisory Agency is responsible for steering and supervising the implementation of producer responsibility at the national level.

Read more: [WWW.TUOTTAJAVASTUU.FI](#)

Learn more about producer responsibility: [Link to producer responsibility training \(TUKES.FI\)](#)

Permits and notifications applicable to foreign citizens

Citizens of Nordic countries

- If you are a citizen of another Nordic country moving to Finland, you do not need to apply for a residence permit. If you plan to stay in Finland for longer than six months, register with the Digital and Population Data Services Agency (WWW.DVV.FI/EN > Individuals > As a foreigner in Finland > Registration of a foreigner) within a week of moving to the country. You must visit the authority in person to complete your registration.
- If you want to set up a business electronically in the Business Information System (WWW.YTJ.FI/EN > Notifications > Start-up notifications), you should have a Finnish identity number. A Finnish personal identity code is not needed if you file your start-up notification on paper.

Citizens of EU/EEA Member States

- If you are a citizen of another EU Member State, Liechtenstein or Switzerland, you do not need a residence permit to move to Finland. However, register your residence permit with the Finnish Immigration Service (WWW.MIGRI.FI/EN > Permits and citizenship > EU citizen) within three months of moving to Finland. If you plan to stay in Finland for at least a year, register with the Digital and Population Data Services Agency (WWW.DVV.FI/EN > Individuals > As a foreigner in Finland > Registration of a foreigner).
- The process of establishing a company is the same as for Finnish citizens, although your place of residence may matter in certain situations.

Non-EU citizens

- If you are a non-EU national and plan to become an entrepreneur in Finland, you need to apply for an entrepreneur or startup entrepreneur residence permit from the Finnish Immigration Service before you arrive in Finland. If you have been granted a residence permit on some other grounds than entrepreneurship, you can still start a business in Finland if the main purpose of your stay in the country is something other than entrepreneurship (such as family ties or studies). WWW.MIGRI.FI/EN > Permits and citizenship > Residence permit > First residence permit > Coming to Finland for work. Once you have been granted a residence permit for at least a year, register with the Digital and Population Data Services Agency (WWW.DVV.FI/EN > Individuals > As a

foreigner in Finland > Registration of a foreigner), where you will receive your home municipality and Finnish personal identification number.

- The process of establishing a company is the same as for Finnish citizens, although your place of residence may matter in certain situations.
- If you intend to establish a Finnish company or serve in a management role of a Finnish company, but live permanently outside the European Economic Area (EU, Iceland, Liechtenstein, Norway), regardless of your nationality, you will need permission from the Finnish Patent and Registration Office: WWW.PRH.FI/EN > Trade register > Permits to persons from outside the EEA
- People from Ukraine who have been granted temporary protection by the Finnish Immigration Service do not need a permit to work as a private trader. They can register as a private trader either with the Tax Administration (free of charge) or with the Trade Register (for a fee). Registration requires a Finnish personal identity number issued by the Finnish Immigration Service.



Identify and tackle risks

Business is always associated with uncertainties, i.e. risks. You need to identify the risks to be able to prepare for them, manage them and protect your business against them.

In business, a risk is more than a potential loss: it can also be an opportunity. To succeed as an entrepreneur, you have to be ready to take controlled risks.

Typical examples of the risks faced by companies include business, contractual and liability risks, data security and product risks, environmental and business interruption risks, as well as risks from crime. Risks can also be divided into strategic, economic and operative risks, as well as pure risks (risks of loss). Pure risks include property, operational and personal risks. Insurance is a means of risk management that transfers some of the risks from your business to the insurance company.

As an entrepreneur, you should think

about how events in your personal life would affect your business. What preparations should you make in case of a severe illness or accident? What would happen if you had a divorce?

Good risk management is proactive and systematic. You can also ask the business advisors and experts at your local Enterprise Agency for help with risk management.

Tools help

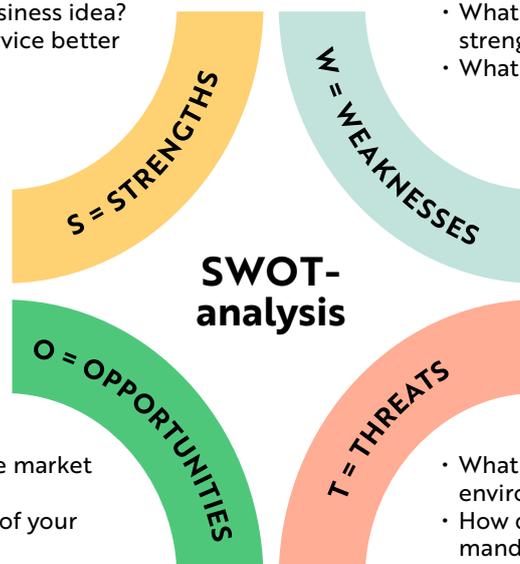
You can use a four-field matrix known as a SWOT analysis to help identify risks. The SWOT analysis describes the strengths and weaknesses of the business idea, entrepreneur and company, as well as the opportunities and threats.

The top half of the matrix shows the current situation and the internal factors of the company. The bottom half shows the future and external factors. Positive factors are shown on the left side and negative factors on the right side. This analysis helps you examine how to further develop your strengths, eliminate weaknesses, exploit opportunities and counter threats.

The PESTE analysis is another tool for identifying risks. It is used to examine external factors which are beyond the company's own influence but still need to be taken into account. The abbreviation stands for political, economic, social, technological and environmental factors.

Here are examples of questions you can use when using the SWOT analysis.

- What special skills do you have?
- What is the strength of your business idea?
- How is your product or your service better than any other?



- What skills or resources are you lacking?
- What entrepreneurial skills should you strengthen?
- What is your business idea's weak spot?

- How could you benefit from the market situation?
- How could you take advantage of your networks, for example?
- What new innovations could your company bring to the market?

- What challenges does your business environment have?
- How does the competitive situation or demand in your industry evolve?
- How are you coping?



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Choose your business partners carefully

When your business starts, you need partners that make everyday life easier and reduce risks. An accounting firm takes care of accounting and advises on taxation, the bank offers payment transactions and financing solutions, and payment terminals ensure that customers can pay easily. The quality of these choices has a direct impact on your company's efficiency and reliability.

Choose your accounting firm wisely

By outsourcing accounting, you can save time for your actual business activities and creating revenue. When you select a good accounting firm as your partner, you will also get important advice on taxation and growing your business. An accounting firm can be one of the cornerstones of your success, so choose your accounting firm carefully.

Here are five tips for selecting an accounting firm:

1. Electronic bookkeeping

Digital accounting speeds up processes, reduces errors and saves costs. Purchase invoices are always easily available, sales invoices are sent easily and collection is easy. Less paper is also cheaper and better for the environment.

2. Find out what the costs consist of

Accounting firms have different pricing patterns, such as fixed monthly fees, hourly rates or invoices based on the number of receipts/transactions. The excess portion of a specific plan may be charged separately.

Find out what the service includes – is it just accounting and preparing financial statements, or also advice and financial statement reviews. Keep in mind that the trained staff of the accounting firm can increase the price but improve the quality of the service you get.

3. Ensure that they have a substitution system in place

Make sure that the accounting firm has ensured that they can arrange a substitute for your contact person. Without a substitute, bookkeeping may be interrupted due a reason such as illness, which directly affects your company's operations.

4. Preferably use an authorised accounting firm

Being a member of Taloushallintoliitto indicates that an accounting firm has been authorised and its operations are supervised. An authorised accounting firm has a liability insurance, it operates strictly in accordance with legislation and keeps its staff up to date with new regulations before they enter into force. In Finland, the activities of accounting firms are not supervised by authorities, which is why authorisation provides additional security.

5. Ask for recommendations

A good accounting firm is usually found through a recommendation. Consult with other entrepreneurs and ensure that the service is up to date and smooth before entering into a contract with the firm.

Compare banks

At the bank, your company will, at minimum, need a bank account for payment transactions. There are differences in the service portfolios of different banks, as some may also offer insurance and expert support. Start by finding out what you need: is basic payment processing enough or do you also need financial and investment services? If your business is local, knowing your local bank can make it easier to get funding. Pay attention to the service you need and its quality, not just the price. Aim to maintain an active and confidential relationship with your bank to get the most out of it.



Compare different payment terminals

If you sell your products or services to consumers, you will need a payment terminal. Compare different options in terms of portability, network connectivity and cost to find the best one for you. The payment terminal can be purchased or acquired under a lease agreement, which includes maintenance and repair. For small-scale operations, the most affordable solution may be a payment terminal connected to a phone that does not require a fixed network connection.

Insure yourself and your business

Text: Fennia Mutual Insurance Company and Elo Mutual Pension Insurance Company

When you plan your company's operations and future, you should also consider risks and how to prepare for them. Insuring your business is an important part of the smooth running of your company's business operations and risk management. When you prepare for risks, you are also prepared for opportunities, as insurance helps you access treatment without queueing or continue your business without interruption. Business insurance consists of statutory and voluntary insurance.

Full-time and part-time entrepreneurs have different insurance needs. If you are a full-time entrepreneur, it is important that you to obtain all the necessary insurance policies so that you can run your business safely and ensure adequate social security for yourself. If you are a part-time entrepreneur, your statutory obligations may be lighter, but it is still a good idea to consider taking out voluntary insurance policies that can provide additional security. For example, the pension insurance for the self-employed (YEL) is mandatory if the income of a part-time entrepreneur exceeds the annual limit even if you receive pension cover from your main job.

Statutory personal insurance

An entrepreneur's statutory insurance is the pension insurance for the self-employed (YEL), while employers have two statutory insurance policies: employees'

statutory employment pension insurance (TyEL) and occupational accident insurance.

YEL pension insurance provides security throughout life for entrepreneurs

Entrepreneurs must take out statutory pension insurance (YEL insurance) for self-employed persons. Although the name refers to a pension, YEL affects the life of an entrepreneur in a much broader sense.

You need YEL insurance if the value of your work input, i.e. your income, ex-

ceeds the limit of the insurance obligation and:

- you are an entrepreneur and between the ages of 18 and 69
- you work as an entrepreneur
- your entrepreneurial activities continue for a minimum of four months

The YEL income is always assessed on an annual basis. The earned income should correspond to the annual salary you would pay an employee with the same professional skills. Thus, the YEL income is not the same thing as the profit generated by your company or the salary you earn as an entrepreneur, but the monetary value of your work input. The »



Pay attention to the size of insurances' deductible amounts.

Confirmed YEL earned income affects the amount granted in the following benefits:

- sickness allowance
- parental allowance
- earnings-related daily allowance
- disability pension, rehabilitation allowance
- vocational rehabilitation
- old-age pension
 - partial old-age pension
 - years-of-service pension
- survivors' pension

» YEL income determines the amount of your insurance contribution.

TyEL insurance protects employees

When you are hiring your first employee, you will need to take out TyEL insurance. TyEL insurance gives financial security for employees in old age or in the case of disability or the death of a family provider, and it also facilitates vocational rehabilitation. As an employer, you are responsible for arranging pension security for your employees through TyEL insurance and also for reporting their earnings to the Incomes Register. These responsibilities apply to companies, organisations and households acting as employers, regardless of whether they are permanent or occasional employers.

Occupational accident insurance is part of the employee's social security under their employment relationship

As an employer, you must take out statutory occupational accident insurance for your employees if you pay more than EUR 1,500 in wages in a calendar year. The insurance protects your employees and is part of their employment-based social security. Based on your occupational accident insurance, your employees are entitled to compensation under the Workers' Compensation Act if they have an accident at work or develop an occupational disease.

Company insurance

Third party liability, legal expense

and business insurance policies: Your company may find itself in a situation where it is obliged to compensate another party for damage caused by your company's operations or products. The most common business liability insurance policies are the liability insurance and product liability insurance, but you may also need other liability insurance policies. With legal expense insurance, you are prepared for the costs your company incurs in the use of legal aid in civil matters, disputed application matters and criminal matters in order to secure the claim in the position of the injured party.

Employee insurance: The number of leisure-time accidents is approximately double the number of accidents at work. Leisure-time accident insurance provides additional protection for employees. You can take out health insurance to provide additional security and ensure rapid access to treatment and recovery in case of illness. This promotes the well-being of your employees and the continuity of your company's operations.

Property and business interruption insurance: Property damage can cause major financial losses to your company. With property insurance, you can insure the contents and physical structure of your business against perils such as fire, leaks, crime and breakdown. Property interruption insurance, contingency business interruption cover and insurance for business interruption due to disability cover additional operating costs and profit losses due to business interruption or mitigation measures related to profit loss.

Data security insurance: Security threats, such as viruses and denial-of-service attacks, can interrupt your

business operations and cause significant financial damage. More and more confidential information is kept in enterprise information systems, which increases risks. Data breaches can lead to liability for damages and costly consequences. With data security insurance, companies can prepare for these risks and reduce the impact of damage.

Voluntary insurance for entrepreneurs

Insurance policies for entrepreneurs: It's a good idea to keep your own insurance cover at the same level as the statutory insurance cover for employees. In addition to protecting your well-being, this ensures the continuity and profitability of your company's operations. The company's health insurance provides you with additional protection in case of illness and accidents both at work and outside of work. Prompt access to high-quality treatment speeds up recovery and return to work. With insurance, you seek medical attention at a private healthcare provider or care institution and get help quickly.

Life insurance for entrepreneurs: Life is unpredictable, but fortunately it is also possible to prepare for the unexpected. Life insurance ensures the continuity of your business activities and provides financial security for your loved ones if the worst happens. You can also add cover for serious illness and permanent disability to your life insurance policy. Life insurance and protection against serious illness and permanent disability supplement the statutory basic social security.

Rely on experts

Your insurance company provides you with valuable help with insuring your own business operations right at the beginning of the company. With an insurance risk survey, you can make sure that your company has the appropriate insurance cover for any damage and losses.

Read more about insurance or book an online meeting with our expert WWW.FENNIA.FI. This will help you find out if you have any gaps in your social security as an entrepreneur and if you are well prepared for the risks in your sector.



Contracts in order

Text: **Niko Nurmela**, The Federation of Finnish Enterprises

You should make all business contracts in writing and review their contents carefully before signing anything. A contract should be so comprehensive that it leaves no room for interpretation. Consult with legal experts, if necessary.

As a rule, the freedom of contract allows companies to conclude contracts on the terms they want. However, this freedom is restricted by legislation, such as labour, consumer protection and competition laws.

Check the background of your contracting partner carefully paying attention matters such as credit score, registration in the prepayment register (ytj.fi) and the competent representatives of your contracting partner (virre.prh.fi).

Be prepared for conflicts

Include a section about dispute resolution in your contracts. If a dispute cannot be resolved by negotiation, it can be resolved in district court or arbitration.

If the company has several entrepreneurs, it's a good idea to agree on the rights, responsibilities and obligations of each of them by means of a written shareholders' agreement. Prepare for all possible situations in the shareholders' agreement.

Lease and leasing contracts

You can lease business premises with a fixed period or until further notice contract. Make contracts always in writing. In most cases, you cannot terminate a fixed period lease agreement by giving notice during the lease period. Unless otherwise agreed, the period of notice of an indefinite contract is one month for the tenant and three months for the landlord.

Remember to also make sure that you can use the premises in the way you intend, or that you can add a condition to the lease agreement about this. Carefully review all terms and conditions of the contract, such as the rent increase clause.

Financing movable assets

With a leasing contract, you acquire movable assets so that the financing

company buys the equipment or machines and leases them on to your enterprise. The leasing period can be optimised according to the estimated economic life. Your seller may choose to transfer the instalment agreement to the financing company.

The down payment on the instalment transaction is often about 30 per cent of the value-added tax purchase price. You can also use trade-in equipment as the down payment. You can deduct your acquisition expense, interest and amortisation on your accounting. The whole VAT should be deducted after delivery. You usually only receive ownership once the entire purchase price is paid.

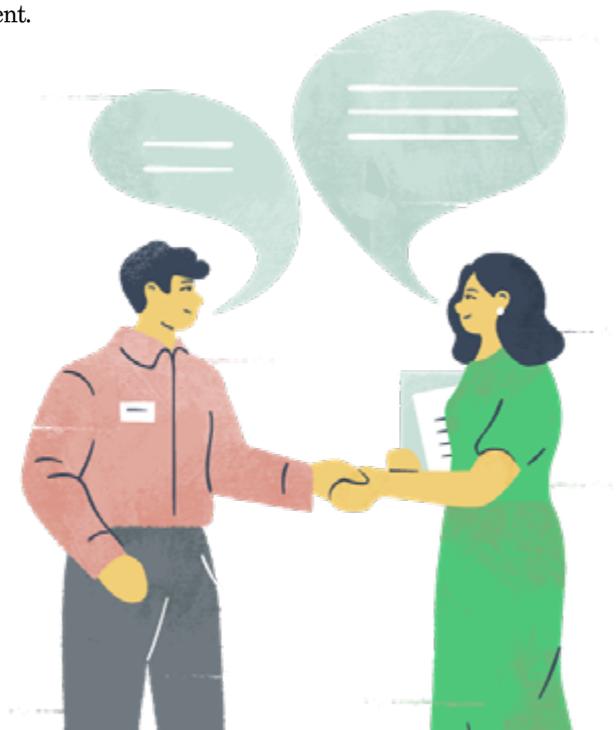
Spotting scams

Scams or frauds preying on companies have increased significantly. Scams are often targeted especially at new entrepreneurs. Therefore, it is important that you can identify scams. Different phone and online scams, such as business directory scams, are common.

The best way to avoid getting scammed is to not agree to anything you are not sure about. Keep in mind that verbal contracts, too, are usually binding and as a rule cannot be cancelled. If you get an invoice for a service you didn't request, submit a complaint about the invoice. Entrepreneurs also have the right to request access to sales call recordings.

Carefully review all received invoices. Some of them may be adverts made to look like invoices. Do not pay an invoice if you are about its legitimacy.

For more information, refer to this guide by Yrittäjät: "Entrepreneur: Identify and avoid scams" WWW.YRITTAJAT.FI/EN > guides > entrepreneur-identify-and-avoid-scams and visit the website of the Finnish Patent and Registration Office: "How to protect yourself and your company from scams" WWW.PRH.FI/EN > companiesandorganisations > protect_yourself_from_scams



Marketing helps you succeed

The seeds of success are sown with courage, curiosity and the ability to listen to the world around us. Your company's journey towards growth begins with understanding what your customers' everyday life looks like and refining your idea. Only after this can you build a company that speaks to its customers, stands out from the competition and makes a lasting impact.

Text: **Kristiina Kortelainen** and **Pia Hirvonen**, Kumppania Oy

Marketing is the lifeline for a new company, providing a bridge between the idea and the customer's needs. In the early stages, you need to engage in active dialogue with your target group when testing the market for your product or service, looking for your first customers and building trust. Marketing brings visibility to your idea and helps your company find its position among the competitors.

Start by collecting information and feedback.

Understand what your customers need

Identifying customer needs is the cornerstone of all marketing, as an in-depth understanding of the target group opens the door to the wider public.

The first step of planning your marketing is to listen to and observe your customers. What are their needs, joys, sorrows and dreams? Where do they come from? It is important to collect information and feedback directly from customers by conducting surveys and collecting feedback through different means and channels. You can also increase your own understanding by following conversations on social media and sparking dialogues. When you stop to listen to what your customers really need, you'll find a place where your business can shine.

Produce value

Your solutions create value. When you have a good idea of what your target group needs and wants, it is time to think about how your company can make their life easier. The solutions can be concrete products, services, digital innovations or new types of experiences. Production of value arises from the ability to observe your customers outside the box and to offer the right kind of help, inspiration or experiences. Sometimes the solution can be something small that makes everyday life easier, while sometimes it can be a comprehensive service package that revolutionises how your customer works. »



» Even a small insight can become something significant. At the core of creative marketing is the ability to produce value in a way that does not just meet the needs but also exceeds the expectations. Trust and a long-term customer relationship are created when the customer feels that a company understands them and offers genuinely useful solutions. Producing value is based on you being genuinely on the customer's side. The value redeemed in everyday life is the best marketing method, when your customers recommend you to others, too.

Sharpen your key messages

For marketing to succeed, it is essential to sharpen your key messages: how do you tell the target group that you have a solution for their needs? The message must be clear, inspiring, distinct and, above all, easy to understand. A good key message presents the benefits of a product or service in a nutshell, evokes emotions and makes the customer interested. Use expressions that speak to your audience and feel like your own, as the authenticity and uniqueness of the message is more memorable than generic phrases. A well-built key message serves as a business card and a driver of growth – it evokes emotions, stays in people's mind and invites people to seize the opportunity.

A good key message sums up the benefits to the customer.



Reach your audience

Select your marketing channels and means carefully in order to reach your target group. Where can you reach your customers? Find out if your customers are spending time in social media, online, at events, or perhaps in the local community. Before producing a podcast series, videos or a virtual event, consider where your customers can be found and where they look for information. Presence in the right channels increases the opportunities for interacting and connecting with customers. Once you have found the right channel, don't hesitate to reach out to potential customers, be it by e-mail, at events or even in the local newspaper.

Never stop developing

The success of marketing should be measured. By monitoring sales trends, customer feedback, the number of visitors to your website or social media visibility, for example, you will stay in

control. Be prepared to respond to the results and to develop your activities accordingly. This ensures that marketing really supports your company's growth and customer satisfaction. Take note and celebrate even small wins – every step takes you and your company forward!

Successful marketing develops as your customers' needs and wants develop. Be brave and curious and keep an eye on new developments. Build your marketing genuinely from your customer's perspective and never stop developing new ways of producing value. When you dare to think big and work towards your goal, your customers will find your company and your company will find its customers.

The entrepreneur's journey is full of opportunities – embrace them! Make your marketing effective, take care of your customers and give them a reason to return to your services again and again.

Brand is the cornerstone of a company

A brand includes all the ideas, feelings and experiences consumers associate with a company, product or service based on the company's communications, actions and identity. It is a memorable promise that tells us what the company represents and what kind of value it offers its customers.

A well-built brand requires an active and goal-oriented approach. Its strength is based on authenticity and the company's own values. Every customer encounter is an opportunity to strengthen the brand.

The brand provides a solid foundation for the company. As the company develops and grows, its brand will prevail, inspiring lasting trust.

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A dream that grew from flowers

At Lily on the Green, flowers not only bloom but also tell a story. Their story is a combination of craftsmanship, art and bold entrepreneurial spirit.

When **Anni Koponen** first opened the doors of her florist shop Lily on the Green in Varkaus in September 2022, she knew immediately that she was on the right path. Anni's love for flowers had been there since her childhood from the flowers she picked on the side of the road to felted and knitted works of art. Eventually, this passion led Anni to study the scientific names of cut flowers and flower arranging, and she graduated as a florist in 2020.

Even as a student, Anni knew that she would become an entrepreneur. Her enterprise idea came from the desire to combine floristry, art and craftsmanship.

"I wanted to pursue my own vision and bring something unique to the flower market with a personal touch", Anni explains.

Florist shop Lily is not just a shop but an experience. In her shop, Anni sells seasonal cut flowers, houseplants and home decorations. She also offers flower arranging workshops where customers can experiment with flower arranging and let their creativity flow.

Strong foundation for entrepreneurship

Anni didn't start her journey as an entrepreneur from zero. Her vocational qualification and bachelor's degree in applied arts gave her a solid foundation she could use as springboard to build her career as a florist and florist shop owner.

Anni had already heard about Wäläkky Keski-Savon Uusyrityskeskus from her friends, so she could rely on Business Advisor **Sanna Hietalahti-Husu** from the very beginning. Sanna helped Anni a great deal with the calculations for Anni's business plan.

Florist shop Lily on the Green is not just a shop but an experience.

"Anni has her own unique style and a strong vision of what she wants. When we did the calculations, we looked at the elements consisting of all the different income sources. The company makes money through the sales of flowers and flower arranging workshops", Sanna explains.

Working with a passion

Finding the right premises was not easy. Anni had to look for suitable premises for six months due to the unique requirements a florist shop has for water faucets. Eventually, she found premises that have turned out to be exactly what she needed. The shop's beautiful display windows bring joy to the lives of people of Varkaus and liven up the city centre. Moreover, Anni has been awarded for her efforts and recognised for creating something meaningful in her hometown.

For Anni, the biggest challenge she has faced as an entrepreneur is stepping away from work; there is so much to do that she could easily work 24/7.

"When you do something that you are passionate about, it can be difficult to draw boundaries. Luckily, I now have one part-time employee and an apprentice, so I can actually take some time off every now and then", Anni says.

No two days in the shop are the same for Anni. The week starts with ordering flowers, while the rest of the week is spent on making bouquets for the weekend and serving the customers, as the majority of customers visit the shop towards the end of the week. Marketing communication is also an essential part of Anni's everyday work, and each customer interaction is an opportunity to learn something new.

Reach for the stars

With Lily on the Green, Anni has found success in a challenging sector. She has found her own style that makes her stand out from the competitors. The best thing about running a business is that it allows you to express yourself and use your skills in the company's operations.

Anni has a simple message to anyone considering starting a business.

"Believe in your dreams and reach for the stars. Challenges are a part of the journey, as are moments of joy. Sometimes they are brought about by flowers.



Anni has loved flowers since she was a child, and in her florist shop she has found her own style that sets her apart from the competitors.

Cash is king

As an entrepreneur, you should spend time planning and monitoring cash flow. This will ensure that there is always money in the company's accounts for salaries and bills.

You must have heard that companies monitor finances on a semi-annual basis or quartile basis. This means comparing realised sales as well as purchases and other expenses with the budgeted items. In practice, you go through the income statement and look at whether you are making a profit or loss. However, there is one downside to simply following an income statement: it is like looking in a rearview mirror. As you plan and track your company's finances, you should also look out of the windscreen too, that is, the up-to-date funds and future cash flows.

What does cash flow mean?

Cash flow, as its name indicates, is the currency flowing through your company's register, that is, money entering and leaving your company's accounts or cash register. Cash flow tells you the liquidity of your business, which means the amount of money you have right now to pay bills, loan repayments and salaries.

Good liquidity is the basis of a sustainable business, and therefore it is important for you to monitor the cash flow of the company in a front-weighted manner from the very start. It is recommended that when starting a business, you consider the need for money, how to start accumulating funds, and what kind of fees you have to pay as an entrepreneur. Even a successful company can run into bankruptcy if the cash flow remains negative for a long time, which means there are more expenses than income.

The company funds are affected by all of the business. In the context of cash flow, sales, payment schedules, expenses, investments, potential loans

The cash flow calculation will reveal monetary traffic in the coming weeks.

and their repayments all have their effects.

In real-time and in the future

Cash flow can be monitored at three different levels. The up-to-date cash flow tells you the current situation: how much money you have in the account and in cash to spend on company expenses. »



» The cash flow statement also offers an outlook for monetary traffic in the coming weeks and months. It will take into account upcoming bills, as well as purchases and sales for which revenues and expenditures are not expected until later. The cash flow statement is the third basic statement of the company's financial management, along with the income statement and balance sheet.

A cash flow forecast estimates cash flow further into the future. It takes into account the regular expenditure of the company, as well as estimates of the upcoming costs and the income from future trading. You can also draw up a cash flow forecast by also including any offers made. But it is worth

remembering that the forecast is then more uncertain in the longer run.

Cash flow keeps you alert

Learn how to run your business through cash flow, because then you will always be up-to-date on how much money the company has available. When you take cash flow into account in all business decisions, you will see if the decision is good or the time right.

As long as the cash flow is positive, your business can survive even in turbulent times. If, on the other hand, the cash flow forecast shows a downswing after three months, you'll have time to react before the crisis.

With sufficient time, you will have time to negotiate payment terms for invoices or to obtain temporary financing.



Make sure you have sufficient funds

The goal of the cash flow statement is simple: to make sure there is a sufficient amount of money. However, keep in mind that money does not increase by counting.

Sufficient funds are the lifeline of a business. In addition to calculations, you actually need to take measures that have effects on your funds. The cash flow statement differs from other important economic tools, such as the income statement and balance sheet, in that there is no official calculation formula for it. It is worth starting by dividing the transfers of money into three areas: the cash flow of the business, the cash flow of the investments and the cash flow of financing, and divide them into smaller parts. Collect data in a spreadsheet program.

Start with sales

Start drafting a cash flow statement on the largest item that will have an impact on the funds. This is usually sales. In the cash flow statement, you need to note the delay in the transfers of money. When you sell today with a 30 day payment period, the money will arrive in your account in a month from today.

After sales, you list expenses, i.e. purchases, salaries, leases and other expenses. Then collect the cash flows from your investments, loan repayments and interest payments, and any loan withdrawals. Then you add together all the payments coming in and leaving the accounts.

What is a good result?

The result of the cash flow statement is balanced when the result is not negative. A positive result means there is enough money and you can cover known payments. In addition, there should be some flexibility. You will sleep better at night when you have at least adequate funds for a few months in your account.

If you have sufficient amounts of money, cash flow planning is easier. You can schedule investments or invest the extra money in more productive targets.

The result of the cash flow statement is poor when the results drops to zero or negative. If the result is negative, measures should be taken quickly. Consider whether you can speed up the money coming from customers, or negotiate longer payment terms for purchases, taxes and loan repayments.

A cash flow statement is a tool that helps you see the situation of the funds as a whole. View it monthly with other accounting reviews. If your company's financial situation is tight, you may have to update your calculations every day.

Accounting in order

All companies are obliged to take care of their accounting. Even if it is worth buying services from an accounting firm, you need to study the basics. You are personally responsible for your company.

The main function of accounting is to produce information about the company's finances. The income statement will determine the performance of the company. The balance sheet provides information about the solvency and liquidity of the company. Accounting can provide other calculations to help with business planning and decision-making.

Accounting is normally done on a monthly basis. Once the company's financial period is over, financial statements are prepared. The financial period is normally 12 months and may also be a non-calendar year. The first financial period may be shorter or longer than usual, up to 18 months. The financial period of the private trader using single-entry accounting is always a calendar year.

What is recorded?

Accounting is based on receipts. Receipts

arise from transactions, i.e. sales and purchases, as well as purchase receipts, bank statements, travel invoices and pay slips. The accounting firm usually handles the recording of receipts in the accounting. It will be up to you to draw up sales invoices, pay purchase invoices, and track sales receivables.

You can use a financial management system for the accounting and handling of receipts. In an ideal situation, you could use the same system as the accounting firm, in which case the software produces receipts for invoices and payments you make and the accounting material in an electronic form. This way, accounting is always up to date.

While a company's accounting is worth putting in the hands of an accounting firm, it is important to understand the basics and monitor the finances of the company. As an entrepreneur, you are responsible for the legality of the receipts and the accuracy of the accounting.

Varying requirements

In the Finnish Accounting Act, accounting requirements are determined by the size and form of the company. The larger the company, the greater the requirements applied to accounting, and in particular to financial statements. If you are a private trader i.e., a trader with a fixed workplace or a self-employed person, there is a significant amount of relief in the accounting requirements.

Consider financial statements

When you are a private person engaged in business or professional activities in the micro-enterprise category,

you do not have to draw up financial statements according to the Finnish Accounting Act. A company is deemed to be a micro-enterprise if the balance sheet totals less than €450,000, the turnover less than €900,000, and an average of up to 10 people work in the business during the financial period. One of the above limits can be exceeded.

However, you might want to consider compiling financial statements, even if it is not compulsory. However, the entrepreneur must produce a tax return equivalent to the financial statements. Many authorities or financiers may anticipate receiving financial statements from your business.

As a private trader, you can

Learn to manage company operations yourself

When you're starting a business, accounting can seem like a difficult thing to do. Corporate accounting is closely regulated, and it is also monitored. It is advisable that you let an accountant or accounting firm handle the accounting and focus on raising the income.

However, studying accounting matters is worthwhile so that you know how to take advantage of the knowledge generated by accounting in the development of your business.

Additional information:
WWW.TALOUSHALLINTO-LIITTO.FI > Tietopankki > Yrityksille > Kirjanpidon ABC.

choose between single- or double-entry accounting. Single-entry accounting is only possible if your company's balance sheet is below €100,000, the company's turnover is less than €200,000 or your company employs up to three people. One of the limits can be exceeded. Single-entry accounting is essentially the recognition of a company's revenues and expenditure. In double-entry accounting, each transaction is recorded into two accounts, resulting in an income statement and balance sheet.

In a limited company, cooperative, general partnership and limited partnership accounting must always be double-entry, and financial statements must also be prepared.

What are financial statements?

When the company's financial period ends, financial statements are prepared. The objective of financial statements is to provide a correct and adequate picture of the company's operations.

Once your company's financial period is over, you should prepare financial statements within four months. For micro and small businesses, the financial statements include the income statement, balance sheet and their notes. From the income statement, you can see the formation of the company's earnings, and the balance sheet shows the financial position of the company, namely assets and liabilities. Medium-sized and large companies also produce an annual report detailing, among other things, the risks and uncertainties of their operations.

The objective of financial statements is to provide a correct and adequate picture of your company's operations. The notes clarify the information provided by the income statement and balance sheet. The scope and content requirements of the notes depend on the size of the company.

Confirmation of financial statements

Financial statements should always include a date and a signature. As a private trader, i.e. an entrepreneur, you sign the financial statements yourself. In a limited company and cooperative, the CEO and the Board of Directors approve the financial statements

with their signature. In a general partnership and limited partnership, the financial statements are signed by the responsible company partners.

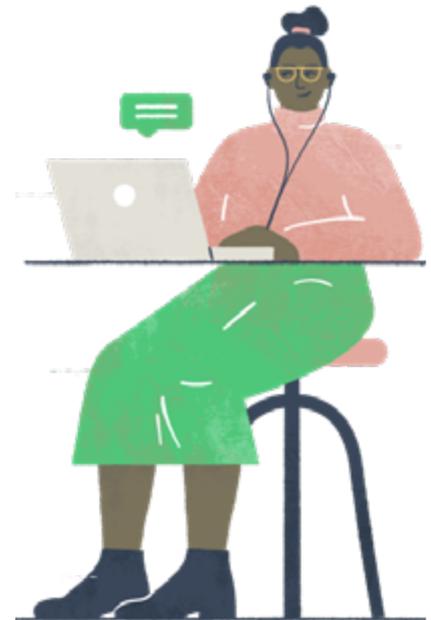
As a general rule, a company's financial statements must be audited by an auditor before the company's decision-making body (for example, in a limited liability company, the general meeting) can approve the financial statements. Upon approval, the shareholders of the limited company or cooperative must confirm the financial statements at the General Meeting or in a written document. There is no need for a private trader to hold a formal meeting.

Audit

The financial statements will still be audited by an auditor if at least two of the following thresholds for a limited liability company, cooperative, general partnership or limited partnership have been exceeded in the previous financial statements: the balance sheet total exceeds €100,000, the turnover exceeds €200,000, or the company employs more than three people. A trader with a fixed workplace and a self-employed person do not need to choose an auditor. If the articles of association, memorandum of association or rules provide for an audit or the

selection of an auditor, act accordingly, even if the limits are not exceeded in the financial statements.

The auditor is chosen by the supreme decision-making body of the company, for example, the general meeting, and the selected auditor must be registered with the Trade Register. Select a chartered accountant (HT or KHT) as the auditor. The auditor enters the audit in the financial statement and provides an audit report on the audit.



The registration of financial statements

Once the financial statements are approved, limited liability companies and cooperatives must send their the financial statements for publication in the trade register. You can register financial statements with your tax return or report the financial statements directly to the Finnish Patent and Registration Office. Financial statements must be filed within eight months of the

end of the accounting period.

Private traders, self-employed persons, general or limited partnerships are not required to report financial statements for registration. A general or limited partnership must provide financial statements for registration if the company or the responsible partner is a limited liability company. You can find more information about exceptional sit-

uations on the Finnish Patent and Registration Office's website WWW.PRH.FI/EN > Financial Statements.

The majority of financial statements are forwarded to the trade register through the Tax Administration. The registration of financial statements is free of charge.

Invoicing on time and with correct details

An invoice is a document that asks a customer for money for the product you sell. A well constructed invoice is easy to pay and takes into account the information required by the tax authorities. The invoice is a tool for you to ensure that you receive the money, but it is also part of the customer experience. Handle the invoices with class.

Invoice as soon as you are ready

The invoice is usually sent to the customer after delivery. If a product or service is a project spanning a longer period, it is often billed in parts during the project, and the last part is invoiced when everything is complete. The invoice must contain certain legally required items.

Typically, the invoice is given a payment term of 14 to 30 days. In B2B transactions between companies, a payment term can be agreed upon. According to the law, the payment term can only exceed 30 days if it is agreed upon separately.

Sometimes it takes several weeks from the order before the money from the sold product is in the

company's account. Finished goods and services should be billed as soon as possible. The invoice information should be pre-recorded as an offer, a sales order or a draft invoice as soon as possible. A rapidly sent invoice gives the customer an image of professionalism.

Please note the customer's wishes

Send the invoice in the form the customer wishes to receive it. You could send it as an online invoice, by email, or as a traditional paper bill. Under the Finnish E-Invoicing Act, the person ordering the item can request an electronic invoice. The invoice, sent as the customer wishes, will be paid with greater likelihood and faster. By responding to the customer's wish, you are also creating a positive customer experience.

Check the invoice carefully. Before sending the invoice, make sure that there are no errors in the data. The customer is under no obligation to pay an invoice if the information is erroneous. Be sure to send any invoice attachments.

Do not edit the submitted invoice. You can edit the invoice until you send the invoice to your client and accounting. If there is an error in the invoice sent to the customer, the invoice must be refunded and a new invoice made. »



Online invoicing is handy

Using an online invoice, or an electronic bill, is environmentally friendly and saves invoicing time and effort. In addition, sending online invoices is more affordable than printing and mailing paper bills.

Online invoicing is not difficult. All you need is invoicing software through which you can send online invoices, as well as your customer's online invoice address.

A company that pays its invoices online can accept, pay and submit the invoice electronically to accounting. This will speed up the process and payment of the invoice, which means that you too will receive your money faster.

The company has the right to receive an invoice from another company in electronic form. The Finnish E-Invoicing Act does not apply to businesses with a turnover less than €10,000 or businesses that only sell to consumers. The law obliges the public administration to accept electronic invoices – for example, the state can only accept online bills.

Archive invoices

Remember to archive invoices. As an entrepreneur, you are obliged to keep all accounting material for six years from the end of the calendar year in which the financial period ends. For example, if the financial period ended on April 30, 2025, records must be kept until December 31, 2031.

» Payment reminders

If your customer has not paid the invoice you sent by the due date, send a payment reminder. However, notify them politely, as the most common reason for an unpaid invoice is forgetfulness. Your goal is to maintain the customership.

In many invoicing systems, you can automate the sending of a payment reminder after the due date, at a time you have specified. You can send a reminder right after the due date, but in practice it's worth waiting a few days. This way you can be sure that no payment has been made at the due date.

You can choose to collect a reminder fee of up to €5 for the payment reminder you send to a consumer. However, you will have to wait 14 days after the due date before sending a payment reminder with a reminder fee. If you do not charge a reminder fee, you can send the reminder earlier to the consumer.

If your client is a company and the invoice has not been paid by the due date, the law allows you to collect a standard payment of €40. However, it is more common to send a payment

note where the reminder fee is more moderate than the standard payment.

You can also charge penalty interest if you do not receive payment by the due date. There must always be a mention of the penalty interest for late payments in the original invoice. The maximum penalty interest charged from the consumer is 7%. The interest charged from companies is usually 8%.

Using a debt collection agency

Typically, a company sends two payment reminders to the customer. If, after the reminders, your customer does not pay the invoice, it should be transferred to a collection agency. This saves you time and energy, and often a letter from a collection agency has the desired effect. Claims collection is a licensed activity, which means that it cannot be done by anyone. However, the services and prices offered by collection agencies vary, so it's worth getting to know the different agencies and how they operate. A good collection agency handles the collection with elegance.

The collection process continues after the payment reminders with a payment claim, i.e. a collection letter. At this point, the costs incurred by the collection to the creditor and the collection agency will be added on top of the reminder costs and penalty interest. If, even after the payment claim, your customer does not pay the invoice and does not manage to negotiate a new payment term or plan, you have two possibilities: to record the invoiced amount as a credit loss and decide to end the collection or proceed to legal collection. For a small business owner, credit loss is practically always the most likely option.

It often takes weeks from an order before the money arrives in your account.

FINNISH TRADE REGISTER – CHECKLIST FOR ENTREPRENEURS



Make sure your details are up to date – file changes at ytj.fi.



File a notification of beneficial owners. Read more at www.prh.fi/beneficial_owners.



File your financial statements at ytj.fi.



Online services are mandatory. The online service is available in Finnish and in Swedish.

Corporate income tax

Companies pay income tax based on the company's performance. Income taxes are primarily paid as prepayment taxes. The corporate form affects income taxation.

When you start a business, you need to enroll with the tax administration registers.

It is worth signing up for the prepayment register because then it is much easier to sell your service. If you don't belong to the register, your client would have to do the tax deductions for you. You cannot be listed in the prepayment register if there are failures in filing and paying of taxes. Being on the prepayment register shows that as an entrepreneur, you handle tax matters reliably.

All VAT payers must register for the VAT register. This also applies to private traders. A company operating as a regular employer must always register in the employer register.

Taxes are paid in advance

The company pays income tax based on the company's performance. Prepayment tax is a term for income tax paid in advance. If there is not sufficient prepayment tax paid during the financial period, the missing part will be paid as a residual tax.

The corporate form affects income taxation. If you are a private trader, the income you receive from the company is taxed as your personal income. However, a limited liability company and a cooperative are independent taxpayers.

Your prepayment amount is based on your company's estimated profits

Request prepayments before starting your business activities

When you start up a new business, you must provide an estimate of its income, expenses and operating profit. You have to pay taxes in advance based on the estimate you have provided. If you operate a small-scale business, your income and expenses from business may

be taken into account in the tax rate on your tax card for wages. In that case, change your tax card details. Otherwise, request a prepayment decision.

Follow how much profit your business makes and request changes to your prepayments if necessary

The total prepayment amount is based on your estimate of the company's taxable income. During the year, compare your actual income with the estimate. If they do not seem to match, request changes to your prepayment amount. You can request changes more than once a year. Note: If the calculated prepayment is too high, you can request adjustment. Do not leave the tax unpaid, and do not pay a smaller amount than what was imposed in the prepayment decision you received.

Make the prepayments

After you have requested prepayments, you will receive a prepayment decision. The decision includes the number of payment instalments, their due dates and instructions for payment.

If the calculated prepayment is too small

If the tax withheld or prepayments made during the tax year do not cover the taxes for the entire year, you must pay the missing amount as back taxes after the tax assessment has been completed. If you want to pay the missing amount before that, you can request an additional prepayment. If you make an additional prepayment, you can reduce the amount of back taxes and the interest calculated on them.

How often is the prepayment made?

The Tax Administration notifies you of the number of instalments and their amount based on the taxable income you have reported for the first accounting period. You can change your prepayment instalments in MyTax.

For example, if instalments have been allocated to certain months but you would like to make prepayments evenly every month, you can change the instalments yourself. The selection remains in effect until further notice. In other words, any future prepayment instalments will be split into equal-sized monthly instalments.

The general due date for prepayments is the 23rd of each month.

Income tax return

When your company's financial period ends, you need to prepare financial statements. In addition to the financial statements, under the tax laws, you must provide an income tax return for the Tax Administration. A limited liability company and cooperatives must issue an income tax return within four months of the end of the financial period. A general or limited partnership and a private trader will issue a tax return in the April of the following tax year. If your accounting firm handles your company's accounting for you, they can also file your tax returns.

Familiarise yourself with the instructions for filling in the tax return for your form of enterprise (vero.fi): Information on tax returns for different forms of enterprises: WWW.VERO.FI/EN > Businesses and corporations > Taxes and charges > Income tax returns.

Tax checklist for business founders



VERO.FI

Differences in taxation

If you become a private trader, the income you receive from the company will be taxed as your personal income. Part of the company's earnings is capital income and part is earned income.

In general, capital income is calculated as 20% of the company's net assets. Net assets are calculated by deducting business-related liabilities from related assets. However, as an entrepreneur, you can either choose to have your capital income represent only 10% of the net assets or that the total

corporate income is earned income.

If the result is small and you do not have other earned income, it is often worth emphasising earned income. You pay tax on earned income according to the progressive income tax scale, and in the lower income categories, earned income is taxed at a lower rate than capital income. You pay a tax of 30% on capital income and 34% on any part exceeding €30,000.

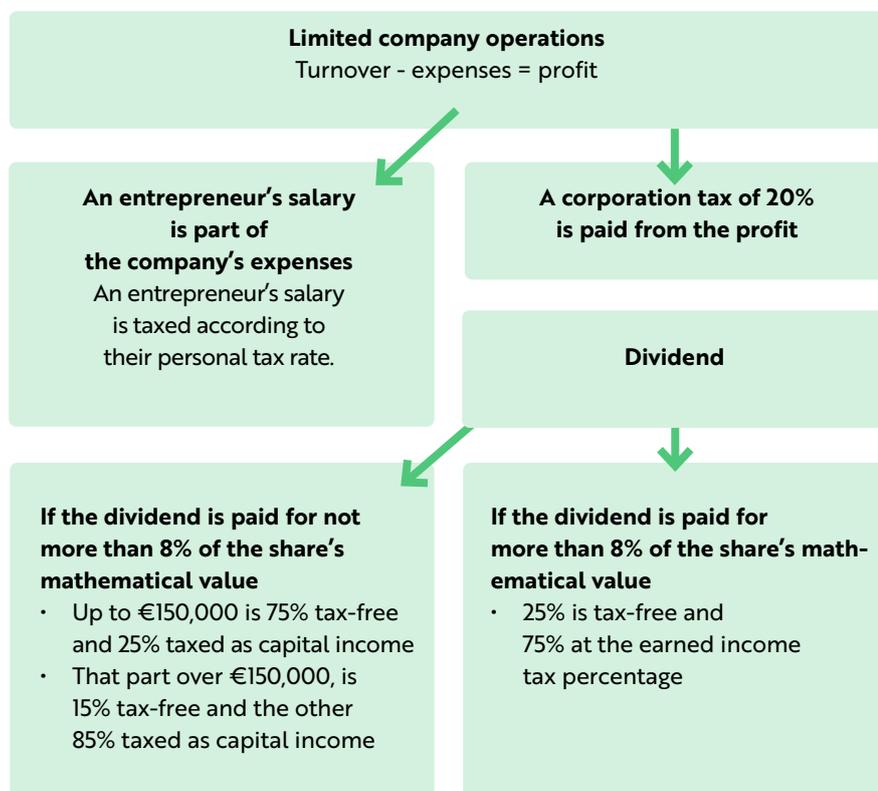
General and limited partnerships are not separate taxable entities for income

tax purposes; instead, the taxable income of the whole company is divided between you and the other partners and taxed as your personal income.

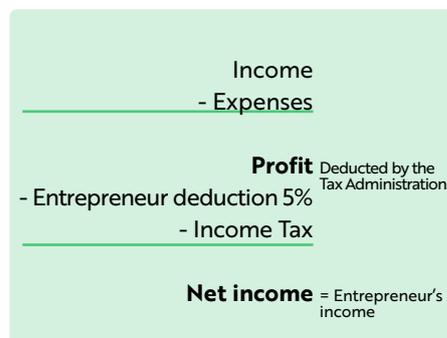
A limited liability company and a cooperative are independent taxpayers, in which case your tax is not affected by the income of the company. A limited liability company and a cooperative pay 20% tax on taxable income. The salary paid to you by your limited liability company is subject to deductions in the same way as salary incomes in general.

Income taxation in a limited liability company

From a limited company, you can withdraw funds either as a salary or as a dividend.



Taxation of a private trader



The limited liability company and the cooperative are independent taxpayers.

What if the company is not profitable?

Entrepreneurship carries its risks. Business is not always successful and the company might not make a profit. If you face financial difficulties, don't try to cope on your own. Ask for help from your network, such as from an accounting firm, a business advisor or the Yrittäjän talousapu counselling service.

Financial Aid helps and advises entrepreneurs with financial and payment difficulties. The advisors are experts in finances and company health. The service is confidential and free of charge.

Contact the Yrittäjän talousapu counselling service when

- your company has accumulated unpaid invoices
- you will no longer be able to pay the loans and their interest
- you don't know what to do when sales are down
- you feel that you can no longer cope with financial difficulties alone.

It is important that you ask for help in time.

Yrittäjän talousapu

The telephone service will be available in English from Monday to Friday from 9 am to 4.15 pm +358 295 024 882 (local network/mobile call charge)

WWW.YRITTAJANTALOUSAPU.FI

Read more about how you can manage financial difficulties and prevent them in the Suomi.fi Web Service:



SUOMI.FI

Responsibility benefits all

Responsibility affects all business operations. By taking social, financial and environmental responsibility seriously in your business, you meet customers' expectations.

All business operations affect the environment in one way or another, as well as the surrounding society. The goal is to minimise the adverse affects and operate as sustainably as possible for the environment and society. It would be wise to think about responsibility even before starting a business and making any larger investment decisions.

Three points of view

Corporate responsibility is often divided into three categories: environmental responsibility, social responsibility and financial responsibility. Environmental responsibility is only one aspect of being responsible in your business operations. Being financially responsible includes taking care of bills and payments on time in accordance with regulations and legislation, while social responsibility

covers all the social good that your business can give back to the surrounding community.

A company's social well-being stems from the entrepreneur and the personnel. Take care of your employees and help maintain a sense of meaningfulness in their work, preferably better than the actual legally requirements. Well-managed finances enable the company's sustainable future.

Sustainable development

Responsibility is not an extra burden but a part of the daily processes of viable business operations. It creates savings in expenses and the customers are more likely to commit to your business. Responsibility will become an even more prominent behaviour-guiding trend for businesses and consumers in the future.

The United Nations has compiled the aspects of responsible operations in

their Sustainable Development action plan known as Agenda 2030. The agenda lists 17 development goals that have been created to erase extreme poverty and promote prosperity in an environmentally sustainable way. Every entrepreneur can find appropriate themes for their business in the agenda.

More information: WWW.YKLIITTO.FI > English.

Check regulations

Legislation and rulings include several regulations that are binding on businesses and industries. They represent the minimal level that does not present any competitive advantage. A truly responsible business evaluates its operations continuously and strives for improvement voluntarily. Responsible solutions are not sought to fulfill regulatory requirements but for the sake of the environment and society.

Recognise the relevant

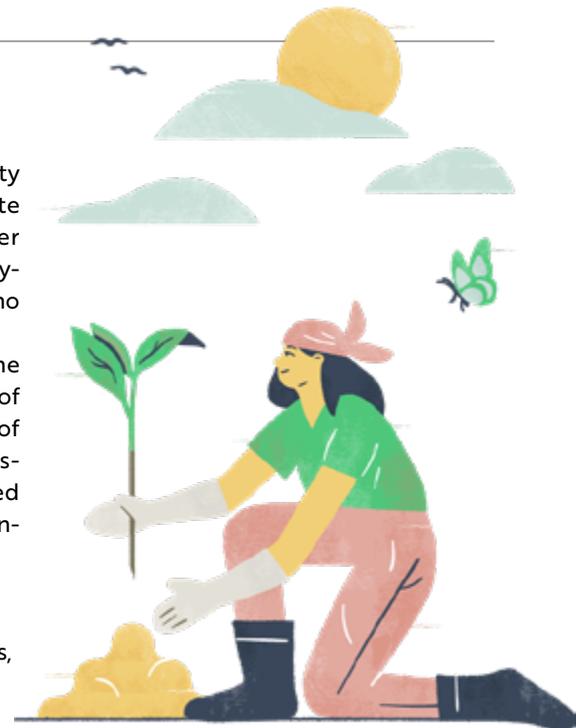
There is an almost unlimited number of things that can be done for the environment, but every company has its limited resources. It is important to focus on things that make the most powerful impact in your operations and for the environment. The relevant options depend on the line of business the company represents and what the company offers.

Generally speaking, it is a good idea to monitor at least the company's energy consumption. The use of green (i.e. emission-free) electricity, energy-efficient equipment, and an efficient use of space from the point of view of heating are concrete ways to reduce the environmental burden. In certain lines of

business, the producer responsibility concerns both packaging and waste management, so the manufacturer should think about the product's lifecycle and the time when the product is no longer in use.

You should strive to minimise the amount of waste and the recycling of unnecessary materials in the spirit of the circular economy. Ecolabels, systems and certificates are an unbiased proof that the operations are environmentally friendly.

More information:
WWW.YMPARISTO.FI/EN-US,
WWW.RINKIIN.FI/EN > For companies,
WWW.KIERRATYS.INFO



Open communication is key

Communicating about responsibility is an integral part of a company's operations regardless of the company's size. Take the initiative to sharing your responsibility principles with customers and stakeholders – as no one else will do it for you.

Transparency of operations is important in all business and industries. During the era of social media, the meaning of transparency has only been accentuated as abuse of power and human mistakes are easily made visible to public audiences. Be honest and open. It is better to acknowledge shortcomings yourself rather than push them aside for others to manage. It allows you to communicate how you plan to develop your business.

You should actively communicate about genuine actions of responsibility.

Environmental responsibility is often approached cautiously for the fear of 'greenwashing', i.e. making the company sound greener than it actually is. However, too much caution can become a disadvantage. You can and you should actively communicate about genuine actions of responsibility.

Responsibility is a competitive advantage

Customers' appreciation for environmentally aware and responsible products is a growing mega trend that currently offers competitive advantage for pioneers. In the future, it is possible that requests for quotes and work orders will be conditional on such things as the size of the company's carbon footprint and reducing the negative impact of operations.

Because many fields operate in

Keep equality in mind

Accessibility of services is a part of corporate social responsibility. Not everyone has equal possibilities to access digital services or physical premises due to a disability or illness. A well-chosen location benefits the environment as well: when the premises can be reached by public transport or a bicycle, traffic emissions are reduced.

Find more information about accessibility:

WWW.SAAVUTETTAVUUS-VAATIMUKSET.FI

networks and subcontracting chains nowadays, it is particularly important to ensure that every link in that chain is operating responsibly. It is well within your right to express responsibility-related requests to your customers and collaborators. This way they will also be encouraged to develop their operations.

Terminology guide

Various terms are used when talking about responsibility, and their meanings might seem imprecise from time to time. Memorise these at the very least! You can get free support and sparring for example from different local initiatives in recognising the needs of your operations and planning what actions to take regarding responsibility.

- **ESG** stands for Environmental, Social, Governance. It is used to refer to responsibility and sustainable development in a broad way.
- **CR** or **CSR** (Corporate Social Responsibility) refers to the whole spectrum of corporate responsibility, meaning the integration of environmental, social and financial

responsibility into the company's operations and culture.

- **Agenda 2030** is the United Nations' plan of action for sustainable development which is used as a foundation or reference for many responsibility actions and programmes.
- **Environmental commitments** are voluntary services that businesses can offer to make their responsibility visible. Commitments also have a positive impact on communicating responsibility. Small business owners should familiarise themselves for example with the Finland Chamber of Commerce's Climate commit-

ment and the Commitment2050 run by Finland's Prime Minister's Office.

- **Environmental management systems**, i.e. labels and certificates, are usually granted by authorities or an expert in environmental affairs. The most well known in Finland are the Swan ecolabel, the ISO 14001 system, WWF's Green Office, and the EcoCompass certificate that is owned by the Finnish Association for Nature Conservation.

Prioritise consumer protection and reduce risks to safeguard your business

Prioritising consumer protection can improve the customer experience, increase customer loyalty and reduce the risk of legal problems and reputational damage. Knowing the rights and obligations of the parties to a transaction also saves you time and money, for instance when dealing with complaints.

If your customers are consumers – that is, individuals who buy goods or services for private use – consumer protection legislation is something you need to be aware of.

The Consumer Protection Act imposes obligations on businesses that must be taken into account in marketing, contract terms, complaints handling and

customer service, among other things.

The Finnish Competition and Consumer Authority (FCCA) offers advisory services for consumers and businesses and monitors consumer interests. The FCCA website (www.kkv.fi), the learning platform KKV Kampus (www.kkv-kampus.fi) and the Consumer Advisory Services provide guidance on consumer legislation issues. The Consumer

Ombudsman monitors compliance with legislation that deals with consumer protection.

What you need to know for marketing

According to the Consumer Protection Act, marketing means commercial communication aimed at selling goods or services to consumers. Information provided on product packaging, in instructions for use or at the point of sale is also considered marketing.

Marketing must not be carried out in an unfair manner, for instance by misleading the consumer, taking an aggressive approach or by omitting essential information.

Otherwise unethical marketing is prohibited. Marketing must not contain messages that violate prevailing societal values. »



» Commercial messages must not be hidden in other communications. The marketing material must make it clear that it is an advertisement and who the advertiser is.

Businesses must provide all the information that consumers need to make a purchase decision before and during the transaction. The content and scope of the information provided to consumers varies according to the context and the goods or services offered.

What you need to know when drawing up a contract

A contract is binding on both parties, and it cannot be changed at the whim of either party. For example, the seller must deliver the goods or provide the service at the agreed time. The goods or services must also correspond to what was agreed.

Try to agree on contract terms in writing where possible. Contract terms set the rules for trading and prevent disputes from arising. For this reason,

it is important to include in the contract everything that affects the contractual relationship, such as the price, details of delivery and the main characteristics of the commodity.

The traders must give consumers a genuine opportunity to familiarise themselves with the key terms of the contract, either at the time of marketing or at the latest when the contract is being concluded.

There are specific requirements for online stores and door-to-door selling. The FCCA website provides more information about these matters.

How should the customer be considered after the transaction?

The seller's obligations do not end with the sale. The consumer must be guaranteed the opportunity to exercise their rights after the sale at no extra cost.

Ensure that contact channels are in order and provide consumers with instructions on how to cancel the service

or complain about any form of defect.

The end of the warranty period does not always mean the end of the company's liability for defects. If there is no guarantee or if the guarantee has expired, the seller is liable for the defect under the Consumer Protection Act.

The consumer has the right to be given clear information on the cancellation and termination of the contract. Termination of the transaction must be made as convenient as the signing of the contract.

In the case of distance selling and door-to-door selling, consumers have a 14-day right of withdrawal. The seller must provide clear instructions on how to exercise this right. In physical selling, companies can determine the terms of their return and exchange policy.

The Finnish Competition and Consumer Authority WWW.KKV.FI/EN > Consumer affairs

Knowledge of consumer protection is essential to business planning, marketing, contracting and customer service.



Consider safety in your products and services

As an entrepreneur, you are always responsible for the safety of the product or service that you offer or sell. Products and services must not cause any danger to anyone's health or property. Products and services must meet their safety requirements.

Safe products and services that meet the relevant standards are a competitive advantage for your company. Read more about the requirements of different products and services for consumers on the website of the Finnish Safety and Chemicals Agency (Tukes): WWW.TUKES.FI/EN > Products and services. You can also improve your knowledge of the safety requirements of products and services on the Tukes Kampus learning platform (available in Finnish at kampus.tukes.fi), which is particularly useful for small start-ups. Further information on products and authorities not supervised by Tukes: WWW.TUKES.FI/EN > About us > Surveillance > Who monitors what?

Provider liability

When you are planning a business that offers leisure-time activities for the customers, such as beauty or well-being related services, or exercise, event and nature services, consider the following:

- Plan and determine the nature of your service and who it is offered to.
- Ensure that you and/or your staff have sufficient know-how about the service. Acquire further training and experience if needed.
- Make sure you understand the safety requirements, legislation and possible official guidelines and standards related to the service. Ask for more information from the authorities when necessary, as it is their duty to guide and advice businesses.
- Plan the customer experience so that it is safe from beginning to the end. Consider safety when acquir-

ing equipment and machinery, the service itself, the number of staff as well as their expertise, and the marketing and guidelines or directions given to the customers.

- Identify any possible dangers and carry out risk management with care and document it! Deconstruct the service in your mind and identify any possible dangers for the customer: what causes the danger, what has been done to prevent them, and what more should be done to ensure the safety of the customers?
- Compile documentation on the safety of your service. All service providers must have written documentation on how the safety of the service is ensured.
- Safety is about constant supervision and maintenance. Monitor any changes, learn from incidents, and report all serious accidents to Tukes.
- Tukes Kampus training on customer safety in recreational services provides good tools for planning and providing a safe service: Kampus.tukes.fi > Tuotteet ja palvelut > Vapaa-ajan palvelujen asiakasturvallisuus

Product safety

When you plan on starting a business that manufactures or imports products in Finland, find out

- whether there are any safety requirements for the products in question
- how you as the entrepreneur must ensure the safety of those products. Safety requirements vary from one product category to another. Toys, ma-

Safety is about constant supervision and maintenance.

chines and electronics, and personal protective equipment for example have their own detailed requirements. However, the requirements for many consumer products are rather generic.

In order to find out the specifics, you must identify whether you are a manufacturer, importer or retailer of the said products. A manufacturer has more responsibilities than a retailer as regards product safety.

Familiarise yourself with the requirements that a product manufacturer or importer must take into consideration. Remember that the requirements depend on the product type. Check the detailed requirements from the product-related regulations. If you suspect that a product might not follow the requirements, take the necessary actions and collaborate with the authorities.

The Products and services category of Tukes Kampus contains plenty of online training modules on product safety to help and support the manufacture and sale of safe products:

KAMPUS.TUKES.FI > Tuotteet ja palvelut >>

» **If you plan to manufacture products:**

- Check the product's safety requirements.
- Evaluate the risks the product could cause for its user.
- Design and produce the product so that it fulfills the safety requirements.
- Keep the product's design documents for 10 years.
- Create user instructions and include them in the packaging. The user instructions must include instructions on the safe setup, use, maintenance and decommissioning of the product. The user instructions must be in Finnish and in Swedish in Finland. If you plan to export your products to somewhere in Europe, check the language requirements of the country in question.
- Make sure to also check whether the product must be tested in a testing facility before it can be sold.
- Ensure that the product has a some kind of identification label and that the product will fulfill the requirements even after transport or storage.
- Include your company's name and postal address in every product packaging.
- Check whether a CE marking must be attached to the product. The marking shows that you have taken care of the product's safety and that it meets its requirements.
- Check whether the product requires a declaration of conformity where you declare that the product meets its safety requirements.
- Keep track of any occasions when a product has not met the require-

ments and inform your distributor of them if needed (product name, serial number, production batch).

If you plan to import products from the EU or outside its market area:

- Make sure that the product fulfills its safety requirements.
- Make sure that either you have or will receive from the manufacturer the product's technical documents should the authorities ask for them.
- Ensure that the manufacturer has tested the product and performed all the other appropriate conformity procedures if legislation so requires.
- Check that the product has a CE marking if legislation so requires.
- Ensure that the product has some kind of identification label (product name, serial number, production batch) and that the product will fulfill the requirements even after transport or storage.
- Keep track of any occasions when a product has not met the requirements and inform your distributor of them if needed.
- Make sure that the manufacturer/

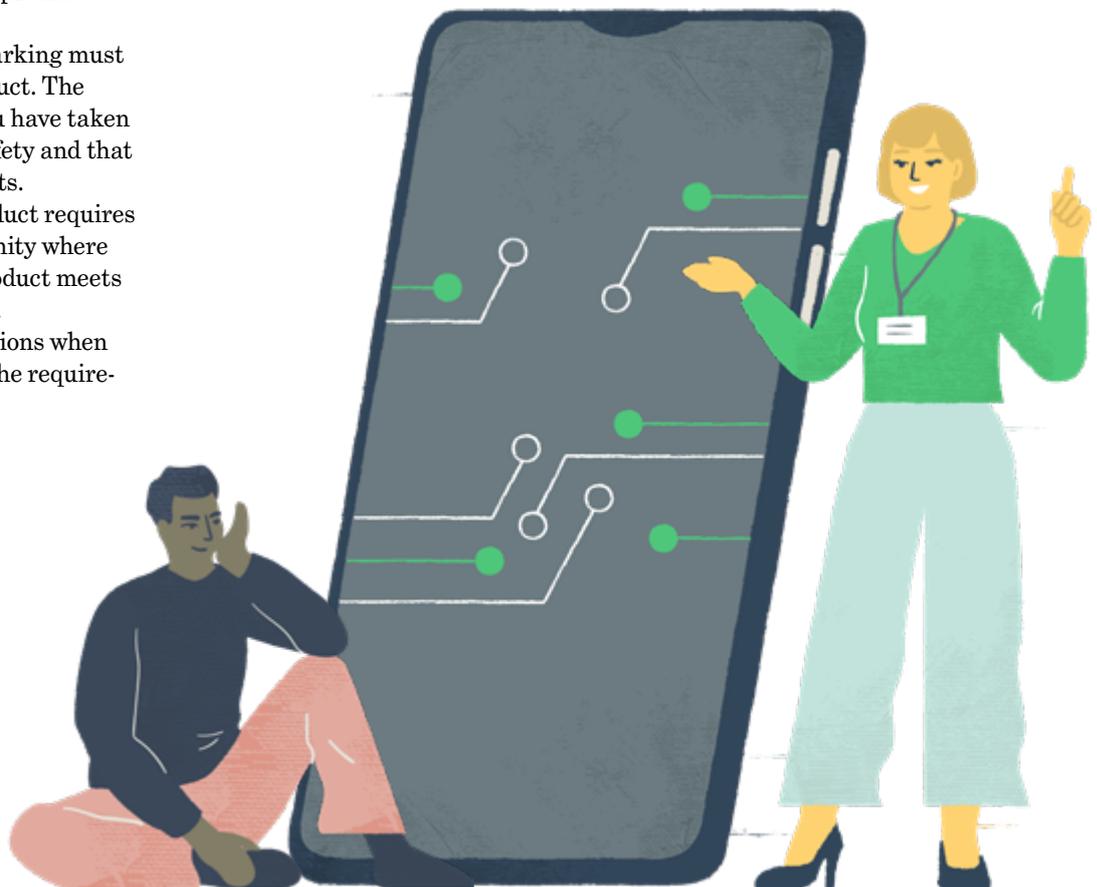
importer has attached their name or trademark and address to the products.

- Document where you have acquired the products and where you have delivered them for further distribution. Keep the information for 10 years after the product has been removed from your product selection, if legislation so requires.

If you import products from outside the EU, please also note the following:

- Ensure that the manufacturer has tested the product and performed all the other appropriate conformity procedures if legislation so requires.
- If a CE marking is required, keep the EU declaration of conformity available for authorities for 10 years after you have sold the last piece of the said product. With some products, the declaration of conformity must be delivered to the customer.

More information: WWW.TUKES.FI/EN/DO-THIS > Setting up a business.



Cybersecurity for businesses

Well-planned cybersecurity measures can be a key success factor for your business. In the worst case, a cyberattack could put an end to your business. That's why it's important to know how to protect yourself against the most common cyber threats and ensure long-term data security. Fortunately, the basics of cybersecurity are fairly straightforward, and require only small steps.

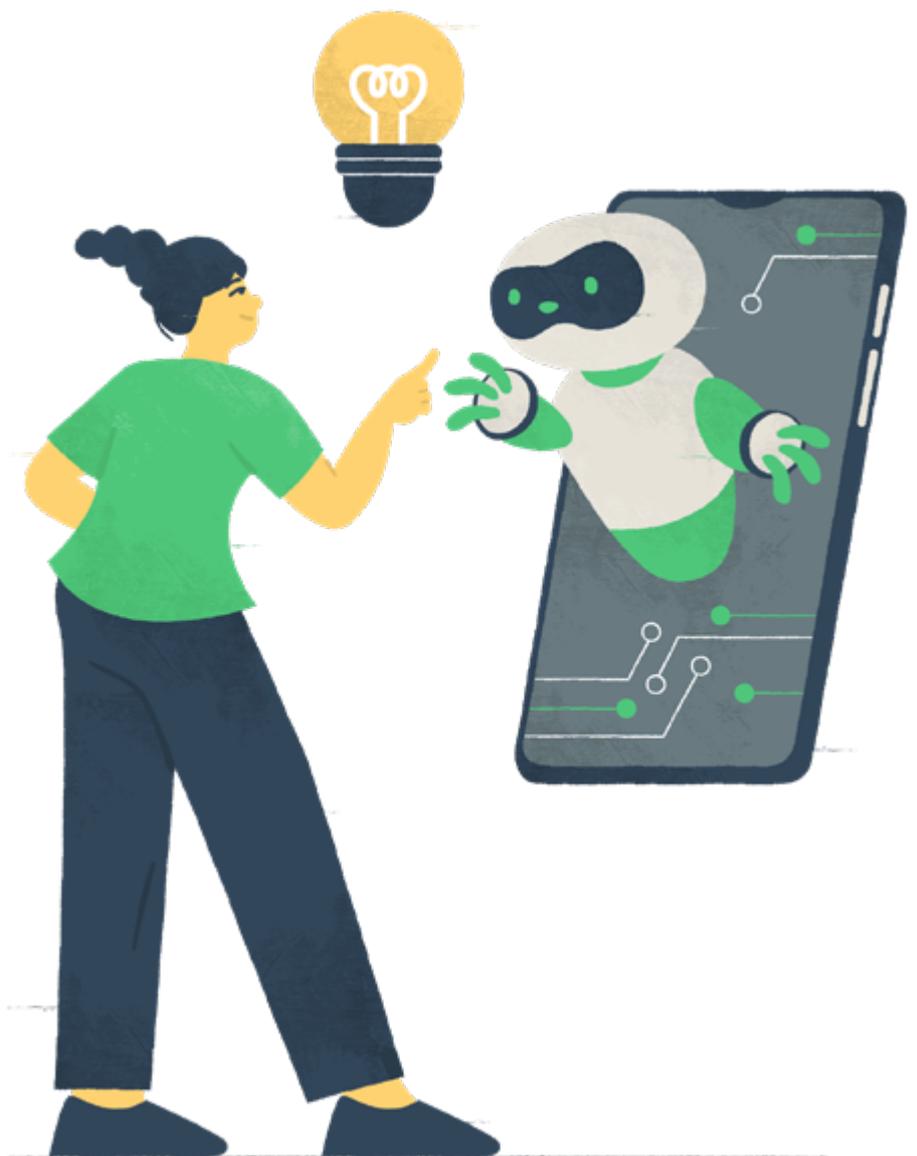
Businesses are increasingly dependent on digital services and systems. Effective cybersecurity measures will protect your ability to stay in business and help you to get the most out of the opportunities offered by online services and digital systems.

Data security must be built into all the company's activities. It is also an important part of corporate social responsibility. Ensuring data security is a responsibility for your company, its employees, customers and ultimately also for the cybersecurity of Finnish society at large.

In addition to financial losses, poor data security can cause reputational damage. At worst, a cyberattack can end your business entirely.

In the normal course of business, employees can use the office software and data systems that they need to send email and the like without any problems. However, the situation quickly turns serious when a company is the target of a cyberattack. Have user IDs and passwords for information systems ended up in the wrong hands? What should you do if a company computer is infected with ransomware that locks the user out of the computer, preventing it from being used? What if data has not been backed up, making restoration of lost data impossible?

Fortunately, cybersecurity doesn't have to be difficult. By taking small steps, you can make your operations safer by avoiding the most common threats. In addition to taking care of »



» your cybersecurity, your actions will also have a positive impact on the cybersecurity of your customers and stakeholders.

Follow at least the following instructions to ensure basic-level cybersecurity:

- Keep your equipment, systems and software up to date
- Use sufficiently long passwords or phrases and multi-step authentication for services.
- Restrict users' rights as needed
- Always make and keep backups
- If you are the victim of a cyberattack or an attempted cyberattack, report it to the National Cyber Security Centre.

It is also essential to know your own data systems, and it's equally important that all staff are aware of the company's data security policies.

Guides

The National Cyber Security Centre of the Finnish Transport and Communications Agency Traficom has compiled a series of guides and other useful information on its website. One of these is a cybersecurity guide for small businesses (in Finnish only; WWW.KYBERTURVALLISUUSKESKUS.FI/sites/default/files/media/publication/Pienyritysten_kyberturvallisuusopas_9_2020.pdf).

The guide provides valuable additional information on cybersecurity and how to protect your company from cyber threats. It covers topics such as phishing, malware, updates and access control. We also recommend that you consult other guides and services provided by the National Cyber Security Centre. For more information, see WWW.KYBERTURVALLISUUSKESKUS.FI

A knowledge community for cybersecurity research, development and innovation

The National Cyber Security Centre's National Coordination Centre brings together cybersecurity stakeholders in a cybersecurity research, development and innovation knowledge community. Finland's National Coordination Centre provides the community with services such as information on national and EU funding for cybersecurity, support in applying for EU funding and finding

partners, up-to-date information on developments in the EU and national cybersecurity sector, support and channels for EU lobbying, and networking with cybersecurity professionals from different sectors of society at national and EU level. For more information, see the website of the National Coordination Centre for Cyber Security Research, Development and Innovation: WWW.KANSALLINENKOORDINOINTIKESKUS.FI.

Cyber training

Much like other threats, cyberattacks do not announce their arrival in advance. That's why it's important to practice cybersecurity incidents before problems arise. The National Cyber Security Centre website contains cyber training support materials suitable for all businesses, including a training guide, a planning tool and a scenario bank.

WWW.KYBERTURVALLISUUSKESKUS.FI/en/our-services/situation-awareness-and-network-management/exercises

When trouble strikes

If your business is hit by a cyberattack, you need to report it to the National Cyber Security Centre immediately. The National Cyber Security Centre can provide advice on how to understand what's happened, prevent further damage and recover from the attack.

Keep up to date with cybersecurity developments!

You can contact the centre by the following methods:

- Report a data security breach using the form WWW.KYBERTURVALLISUUSKESKUS.FI/EN/report
- By email to cert@traficom.fi
- By phone on +358 29 534 5630 (tel/email) (local network rate/mobile rate) weekdays 9 am to 3 pm)



Have you checked out the weekly reports from the National Cyber Security Centre and the centre's monthly Cyber Weather reports? Both provide important and up-to-date information on what's happening in the field of cybersecurity, including vulnerabilities and current scams.

Read more: WWW.KYBERTURVALLISUUSKESKUS.FI

Utilising AI as an entrepreneur

What is generative AI?

Generative AI is a rapidly developing technology that uses and combines large amounts of data to produce new content, such as text, images and sound. Entrepreneurs can use it, for instance, to plan marketing, generate ideas, develop strategies or prepare quotations. Among other things, AI can also provide suggestions for advertising copy or product descriptions. This is a useful option for new entrepreneurs who may not have the time or resources to do all the design work themselves.

Generative AI is suitable for many industries, because it can be scaled to the needs of each business. Technology can be utilised in many activities at low costs, allowing you to focus on growing and developing your business as an entrepreneur.

Unlike conventional AI, generative AI is capable not only of producing analyses and predictions, but can also produce content that looks and sounds almost human. However, when using AI, you must remember that as a human you are responsible for the results.

What can AI be used for?

AI is useful in many areas of business, and can help you focus on your core tasks by speeding up or automating routines. AI has clear applications in many areas, such as:

Communications and marketing: AI can help you brainstorm content and target your messages to the right audiences. AI tools can, for example, quickly produce proposals for social media up- »

Generative artificial intelligence

- Connects large volumes of data in new ways and provides ideas and content, helping save time and resources.
- Easy to use and available in a wide range of applications without major investment.

Examples of the use of AI

- Marketing: Plan and create content quickly and translate it into multiple languages.
- Customer service: Automate responses and improve the customer experience.
- Analytics and strategies: Clarify reports and forecasts, analyse data.
- Brainstorming and planning: New services and products, more efficient processes.
- Financial management: Posting of invoices, monitoring of payments, budgeting.
- Making office work more efficient: Meeting notes, to-do lists, calendar management.

Things to keep in mind

- Data security and data protection: Ensure business and customer data are always handled securely.
- Ethical use: Be open about your use of AI, and do not create misleading marketing.
- Copyright: Check access rights and protect your own content.
- Expertise: Use AI as a support to ensure the quality of your content.

AI prompting tips

Prompting refers to the phrasing of instructions or questions given to AI so that you can get a useful answer. When you find or phrase a prompt that works, it is a good idea to save it for later use. This allows you to reuse the same effective prompts and to speed up your work.

You can also ask AI for tips on how to phrase prompts or search the internet for ideas. Here are some resources in Finnish:

Tehot irti tekoälystä.
Valtionhallinnon promptikisan satoa.
[CDN.VALTIOKONTTORI.FI/
WORDPRESS/SITES/
8/2025/08/PROMPTIKI-
SAN-2025-SATOA.PDF](https://cdn.valtiokonttori.fi/wordpress/sites/8/2025/08/promptikisan-2025-satoa.pdf)

Tekoälyä ohjaavien kehotteiden eli promptien muotoilu.
Tampereen yliopisto ja AMK
[SITES.TUNI.FI >
vinkkipankki > tekoaly >
tekoaly-ohjaavien-kehot-
teiden-eli-promptien-muo-
toilu](https://sites.tuni.fi/vinkkipankki/tekoaly/tekoaly-ohjaavien-kehotteiden-eli-promptien-muotoilu)

» dates and newsletters suitable for different target groups. With AI, you can plan marketing across channels and produce text and image content, saving time and helping you reach your customers more effectively. AI can also help with web design.

Customer service: Chatbots and AI-enabled support services can answer frequently asked questions and help customers find the right products or services on the company website. This speeds up customer service and frees up time for other tasks. AI can also take care of most of the basic customer service matters – human intervention is only required in the most complex cases.

Routine office tasks: AI makes routine office tasks, such as sorting and responding to e-mails, easier by prioritising messages and proposing automatic replies. In calendar management, AI can suggest suitable meeting times and remind you of important meetings. In the preparation of summaries, meeting memoranda and presentations, AI helps by compiling the main points, proposing clear structures and producing draft presentations.

Business analysis and strategy: AI can make data analysis and forecasting easier. AI can be used to track sales reports, financial forecasts or customer satisfaction to support business decisions. Generative AI can also be used

in strategic thinking, helping you to develop business plans, survey market trends and analyse your own and your competitors' strengths and weaknesses.

However, it's important that you use AI to support your own expertise, rather than just relying on the content it creates. Although AI can produce useful drafts and suggestions, humans must always evaluate and verify the content it produces according to their own knowledge and specific business needs. In some cases, you would do well to have your AI output in an unfamiliar area checked by someone with the relevant expertise. This will ensure that AI-generated content complements your own expertise for the best results.

Generative AI is cost-effective and readily available

AI services are now affordable and often cloud-based, meaning they can be accessed from anywhere with an internet connection. For you as a start-up entrepreneur, this can be important, as you may have a limited budget and may not want to commit to expensive software. There are free versions of the most popular generative AI agents (e.g. OpenAI's ChatGPT, Google Gemini or Microsoft Copilot), which can assist with text production and improving work efficiency. The free versions are enough for many users, and using them gives you a good idea of how the models work and which ones could suit your particular needs.

However, keep in mind that free versions may process user data more extensively than paid versions. Think twice before giving AI any sensitive information, such as personal data or the company's confidential information. For these purposes, it is recommended that you use an enterprise system that keeps your data secure.

There are numerous types of AI-powered software on the market suitable for a variety of uses such as text, image and video production, strategy work, analysis or brainstorming. Different programs have their own particular strengths, so make sure to experiment with several solutions to find one that best fits your needs.

AI technology and tools are constant-

ly evolving. This will enable you and your business to grow with AI and use new solutions to continue developing.

Data protection, privacy and ethics

In addition to the benefits, AI also brings responsibilities, for example in terms of data protection and data handling. For instance, you must ensure that customer data is used in accordance with the European Union's General Data Protection Regulation (GDPR), including in AI systems. The EU Artificial Intelligence Act (EU AI Act), requires, for example, AI literacy and disclosure of the use of AI.

As an ethical entrepreneur, you also need to ensure that AI-generated results are not based on biased data, which could lead to discriminatory outcomes or unequal treatment. It's also your job to ensure that communications are honest and truthful, and that AI is not used for misleading marketing.

AI-generated content must also comply with copyright laws. You need to make sure that the content created by AI does not infringe on any copyrights, and that you protect your own rights properly.

By abiding by data protection principles and ethical practice in general, you can ensure that AI supports your business responsibly.

AI and the future of work

Artificial intelligence is playing an increasingly important role in working life, and use of it is an emerging skill. As a new entrepreneur, AI offers you new ways to improve the customer experience, streamline internal processes and gain a competitive advantage. Using it requires an open mind and a willingness to learn new ways of performing conventional working tasks. AI is constantly evolving, so it makes good sense to keep up to date with new applications and making use of them where possible.

AI will not solve all business challenges, but it holds huge potential. As an emerging entrepreneur, you should take the time to explore different types of AI software to see what they can do for you and your business.



Growth with data

Based in Nakkila, Knobbi Oy is the result of its founder's desire to test his potential and the idea to provide a service that is genuinely accessible to small companies.

Knobbi Oy's founder, **Tommi Dahlroos**, is an experienced data specialist who has been an entrepreneur since 2021. Knobbi Oy, which was originally created on the basis of another business idea, helps small and medium-sized companies use data in business management. Knobbi has turned data repository activities into software as a service (SaaS), which makes knowledge-based management tools available to small companies without heavy deployment projects. The service makes it possible to use data in a practical manner that's fit for everyday business operations, bringing results quickly and not with a delay of years.

According to Tommi, he was driven by the desire to build something meaningful.

"I wanted to use my expertise differently from what I had done before. I decided to see how far my potential could take me. In general, it is important to find your own way of doing things in this field. The way I see it, your work should focus on the benefits to your customers and not with technology in your mind only.

Getting started with the support from an Enterprise Agency

When Tommi was getting started, he was supported by the Uusyrityskeskus Enter Satakunta, whose advisor advised him how to start a business and refine his business idea. According to Business Development Coordinator **Jari Keinonen**, Tommi is a prime example of an entrepreneur whose determination has taken him from an idea to running a successful business.

Jari sees that Tommi and Knobbi's strengths lie in extensive experience, innovativeness and curiosity.

Don't be afraid if you don't know everything. You can always learn new things.



"Tommi has this natural drive to develop and learn. Moreover, Knobbi has a strong team, and the team members support each other and take the company forward", Jari explains.

According to Tommi, the services of the Enterprise Agency have been valuable especially at the beginning when there was some uncertainty.

"When you have a lot of information and new things to learn, it is important that you have someone to turn to. Mentoring and discussions helped me see what entrepreneurship requires", Tommi says.

When it comes to running a business, Tommi emphasises the importance of working together.

"I cannot stress how important it is to have a good accountant and a good partner. It is important to have someone with whom you can share the good times and the bad times."

Tommi also points out that it's OK if you don't have all the skills yet when you first get started.

"Don't be afraid if you don't know everything. You can learn everything and ask for help. If you want to succeed, don't be afraid to reach out to others."

Next target: Europe

Knobbi is growing steadily, and it now employs four people.

"Our goal is to grow into a nationwide knowledge-based management partner and then expand to Europe. We want to give small companies access to the same tools that larger companies use", Tommi explains.

Jari sees Knobbi's development as an indication of what competence and cooperation can achieve.

"Knobbi is a culmination of modern entrepreneurship at its best, or the courage to try something, find networks and do things together. Knobbi is an excellent example of how growth can be created."

Tommy sums up the core idea of entrepreneurship as follows:

"The freedom to learn, experiment and build something of your own is the best reward. And being able to do it all with a great team. That is what makes it worth it to get out of bed every day."

Learning to success

When OUDA Oy was established in 2022, the world was grappling with uncertainty. Despite this, four experienced technology specialists decided to take the leap into entrepreneurship.

Matti Uusitalo, one of the founders of the Oulu-based company, says that the decision to start a business was the result of long consideration. His previous employer had been developing a new kind of business in a very entrepreneurial manner, which gave Matti an idea: why not do this at his own company?

OUDA is built on three areas of expertise: automation, mechanics and electrical design. From the outset, the goal was to have a business with two focus areas: in addition to design and consulting services, the company develops its own products on the basis of the principles of sustainable development. The company's newest innovation is a protective shield for electric car batteries, and more products are being developed.

Bold steps forward from a humble beginning

In the early stages, the founders consulted Oulun seudun Uusyrityskeskus, whose Business Advisor **Jarmo Siipola** provided support to Matti and his partners.

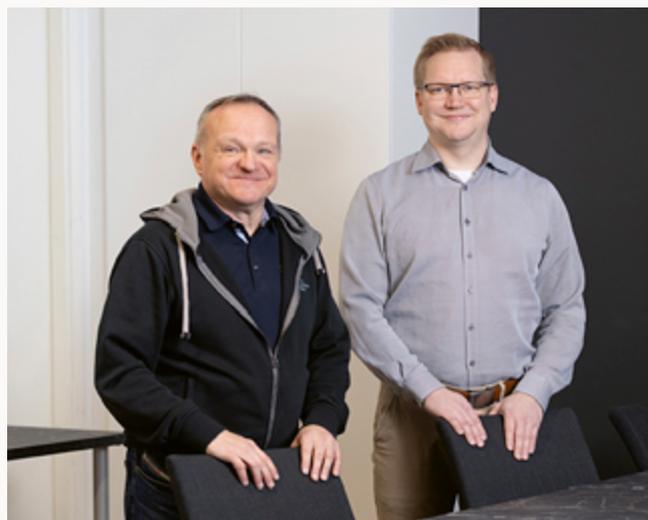
“We received comprehensive guidance covering everything from what we should take into account, what kinds of agreements we can make and what kinds of opportunities the future could bring. Jarmo asked the right questions that made us really think things through”, Matti says.

Jarmo remembers the OUDA team particularly well.

“When I met them, they were very humble and ready to listen. They weren't there to get an approval for their ideas. Instead, they genuinely wanted to learn and to develop their skills. That's always a sign of potential”, Jarmo says.

He says that successful entrepreneurs tend to have a certain way of thinking.

If you wait for the perfect moment, it will never happen.



“I often see two types of entrepreneurs. Some seek business advice because they want to be told that their idea is perfect and they don't want to change it in any way. Others, on the other hand, come see us with an open mind and say that there are still things that they don't know but that they are willing to learn. Those with the latter mindset tend to find success time after time”, Jarmo says.

Trust and continuous learning

OUDA has grown rapidly, but its values have remained the same.

“We have wanted to retain our humble approach and having the courage to ask for help even as the company grows. In that sense, our cooperation with Jarmo has never ended”, Matti says.

Jarmo confirms that the connection is still there:

“OUDA is a good example of the fact that advice and coaching are also needed when the company has already established its position. They have developed the business operations in a goal-oriented manner and divided responsibilities based on the team members' strengths.”

In 2024, the company had five employees and by the end of 2025 the number has doubled. At the same time, OUDA has expanded its operations beyond Finland and invested in its own product development and patenting its inventions.

Having courage to do things your way

OUDA has not slowed down despite the uncertain market situation.

“When we were getting started, a lot of people asked if it was a good time to start a business. But if you wait for the perfect moment, it will never happen. So we decided to just do it”, Matti explains.

OUDA is a good example of how professional skills, cooperation and continuous learning can form the basis for sustainable growth. The company has shown that a sustainable and innovative business can be successful even when the time may not be ideal.

Support for business development

After the enterprise has been established, its varied lifecycle begins. Public support and help is on offer for various situations along the way. It can be in the form of financing, consultation, expertise or networks. You can also seek help from experts for project planning.

Boost and growth

Your enterprise might need a boost at some point to reform its operations, induce growth or spread its wings into international markets. The Economic Development Centres can support businesses in their all-round development with a contribution to the funding of development projects. This can be used to develop existing operations or create entirely new kind of business for the enterprise.

You can apply for funding for development of an SME or for investments in SMEs, when you want to significantly invest in restructuring or growth. The funding can also be used to improve internationalisation and export efforts and possibilities, or to induce growth by developing new products, services or production methods. The goal can be to reach new markets or map out new business opportunities. The goal may also be to promote technological innovation, digitalisation, or actions that promote carbon neutrality.

The enterprise itself must always provide at least half of the development project's funding. The project investments can be supported with 10 to 35 percent of the expenses that were used as a basis for granting the funding contribution, depending on the size and location of the enterprise in question. The contribution must be applied for before the start of the project. You can get support in preparing the funding contribution application from the Enterprise Agency or from your municipal business services. The experts at the Economic Development Centre can also provide assistance in researching your funding options. »



The Finnish Enterprise Agencies help you find the best funding channels in your area.

» Support for local businesses

From the point of view of business subsidies meant for businesses located in rural areas, 95% of Finland's surface area is considered rural. You can apply for a business subsidy intended for rural area businesses, even if your business is not tied to agriculture. Business investments are supported in this way to increase business activity, employment and vitality in the countryside. The purpose is to utilise local expertise and know-how to benefit the company's own area.

A business subsidy for rural area businesses can be applied for from an Economic Development Centre or from a local Leader Group. There are 52 Leader Groups in Finland that grant funding for rural areas and micro business projects. Local Leader Groups make the funding decisions regarding their area's businesses or associations. The subsidy is funded by the EU, the government and the municipalities. In addition to company-specific subsidy, subsidies can be granted to development projects. Depending on the project in question, the subsidy can cover 20 to 100 percent of the expenses. You can get detailed information about funding, including percentages, from your area's contact person. The projects to be funded must be in line with the area's development strategy targets.

More information: ELINVOIMAKESKUS.FI > Yritysrahoitus

Financing and working capital

You can apply for Finnvera's financing for acquisitions and investments for your enterprise and an increased need for working capital. Finnvera provides financing for the start, growth and internationalisation of companies and guarantees against risks arising from exports. If your company does not have the collateral required by banks, Finnvera's partial guarantee may be a suitable solution. Sufficient equity is essential for your company's success as it provides financial flexibility when the company begins operations.

More information: WWW.FINNVERA.FI/ENG > Growth.

Toward an international success story

When you are creating an international success story or need help identifying market opportunities, Business Finland can help. Business Finland is a public organisation that offers innovation funding and internationalisation services and promotes investments and travel to Finland.

The expert and financing services of Business Finland are meant for companies that strive for bold business growth and reorganisation in international markets. These services include funding, ecosystem networking and internationalisation services, as well as information and contacts in the target market. Funding is offered for research, product development, and business development needs. Funding can be granted either as a loan or a subsidy. More information: WWW.BUSINESSFINLAND.FI/EN.

Finnish Industry Investment Ltd offers capital to companies that are able and willing to grow, as well as business know-how and international networks to boost the company's growth efforts.

Finnfund is a development financier that builds a sustainable world by investing in responsible and profitable businesses in developing countries. Finnpartnership is a business partnership programme financed by the Ministry for Foreign Affairs of Finland and is managed by Finnfund, which offers free services. It aims to generate positive development impacts by promoting business between Finland and developing countries.

Product development and know-how

The services of the Finnish Patent and Registration Office can be used for various stages in product development. Familiarising yourself with well-known solutions can help you find new product development ideas and help you adjust to changing competition situations, as well as offering solutions to problems in product development.

Investing time and money into developing the know-how of your company is an investment in your »

You can apply for financing for growth, development and experimental projects.



» company's competitiveness. You can complete vocational upper secondary level qualifications targeted to entrepreneurs such as Further Vocational Qualification for Entrepreneurs or a Further Vocational Qualification in Business Management and Leadership.

Capital injections

Business angels and other capital investors might be willing to invest in your company. In return, the investors expect a share of the company and a dividend income. The investors often bring business know-how, practical experience, market knowledge and useful networks to the table in addition to financing.

They are usually interested in businesses that aim for rapid international growth through operations that are scalable. In practice, investors share the business risk by investing money into the business in return for a share of the business. They usually sell their share in three to seven years. You can look for a capital investor or a business angel through Pääomasijoittajat ry or the Finnish Business Angels Network (FiBAN), for example.

In crowdfunding, investments come from larger groups of people instead of individual investors. In return, the investors acquire shares, bonds or benefits, or are able to make preorders. On occasion, investments are made as donations. Crowdfunding

is often organised through a funding platform operated by a crowdfunding intermediary, and the funding is sourced by campaigning to potential investors.



The Team Finland network helps your company to go global

Team Finland is a network of public operators that offers internationalisation services. It brings together all public internationalisation services, and the main parties are the Centres for Economic Development, Transport and the Environment (Economic Development Centres), Business Finland, Finnvera and the Ministry for Foreign Affairs. The network provides businesses with a smooth service chain, ranging from advice services to funding.

The regional Team Finland coordinators help companies on their road to internationalisation by helping them find the perfect solutions from a wide array of services offered.

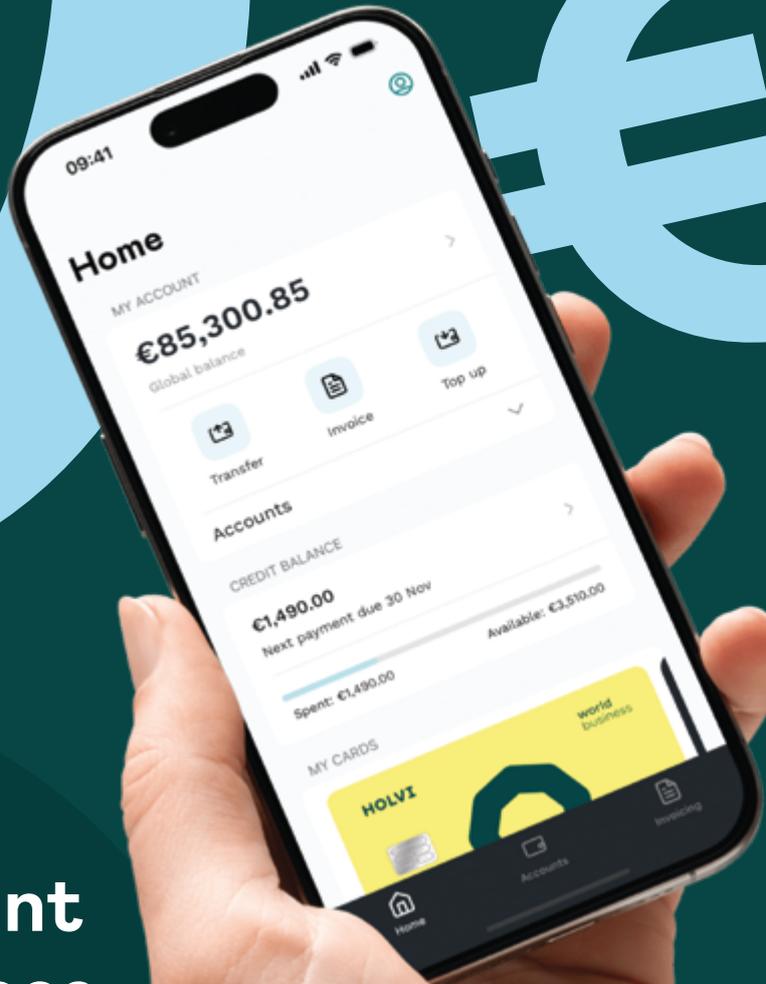
The network's experts offer help in planning internationalisation efforts and tackling practical problems. Team Finland provides information about the global markets and their opportunities. Team Finland organisations also offer a wide range of financial services, including grants, loans and guarantees.

Finnish companies at various stages of internationalisation can participate in Team Finland's delegation visits. They promote international business operations.

More information:

WWW.TEAM-FINLAND.FI/EN.

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opening fees:

holvi.com/suk

As an employer

Before hiring employees, it is important to understand the obligations of an employer. The obligations are based on laws and collective agreements. Which insurances are necessary? What payments and reports must be handled? What other things need to be taken care of? When you are aware of these issues, you can safely become an employer.

When recruiting, be sure to comply with employment law. Familiarise yourself with the Employment Contracts Act, the Annual Holidays Act, the Non-Discrimination Act and other laws that are binding on employers. The duration of the employment can be open-ended or fixed-term. A fixed term requires a reason, such as substitution, internship or the seasonality of the work. If you want to agree on variable working hours, you must explain in the employment contract the situations where employees are needed and the frequency of these situations.

The beginning of the employment can include a trial period. During a trial period, both parties can terminate the employment contract but only on proper grounds. The duration of the trial period can be at a maximum six months or half of the duration of a fixed-term contract.

Make a written employment contract

You should always make a written employment contract even though an oral contract is also valid. If there is no written contract, you must provide a written statement of the terms and conditions of the employment.

Minimum conditions for an employment relationship are set, for example, by the Employment Contracts Act, the Working Hours Act, the Annual Holidays Act and collective agreements. If you are a member of an employers' association, follow your association's collective agreement. If you are not a member, follow the universally applicable collective agreement in your industry. Find out

through Finlex (WWW.FINLEX.FI/EN) whether your company's main industry has a universally applicable collective agreement. If your industry does not have a universally applicable collective agreement, the minimum conditions are defined by law.

Staff leasing as an option

You can also find employees through a staff leasing company. In this case, the leasing company will take care of the employer's obligations. During your work, you will be responsible for orientation of temporary workers, safety at work and management and monitoring of work. The employment terms and conditions will, as a rule, follow the collective agreement that binds your company. Staff leasing can lead to hiring.

Data processing

When hiring, you can only collect such data from the employee that is considered essential for task performance. Request the data from the employee. To acquire data elsewhere, you will need the employee's consent. The law has separate regulations for situations where such matters as credit reports can be checked. This must also be communicated to the employee.

You cannot ask or collect data that may breach the law on discrimination. Sensitive data such as health data can only be collected if it is necessary from the perspective of the rights and obligations defined by the employment relationship. When personal data is no longer needed for the purposes for which it was collected, it must be destroyed.

Terms and conditions for paying wages

Minimum wage is defined by the universally applicable collective agreement in the industry. If there is none, the wages must be considered normal for the industry and reasonable when considering the demands of the job. The law does not regulate a minimum wage. One indicator of a minimum wage is a salary that fulfils the employment conditions of an employee, which you can check on the Kela website (WWW.KELA.FI/MAIN-PAGE).

The wages must be paid to the employee's bank account on the last day of the pay period, unless otherwise agreed. Always provide a pay calculation »

When working as an employer, take into account these indirect wage expenses of your employees:

- The Employees' Pension Insurance TyEL
- The unemployment insurance contribution
- The occupational accidents, injuries and diseases insurance premium
- The group life insurance premium
- The employer's health insurance
- The employee's health insurance contribution

Check the up-to-date payment rates and terms and conditions by contacting your insurance company or accountant.

» for the employee. Wages must also be paid for an annual holiday. Check the law and the collective agreement to see what they state about holiday bonuses and wages for sick leave, maternity leave and brief absences due to a child's sudden illness.

An employee accumulates two days of annual leave per month during the first year, and after that, 2.5 days. If there is no annual leave accumulated, an employee is entitled to holiday compensation.

Deductions and insurance

There are statutory obligations related to the payment of salaries. You must deduct the taxes withheld in advance from the wages and compensations for labour or service, unless the recipient is registered in the Prepayment Register.

Obligatory insurances for an employee include a pension insurance (TyEL insurance), unemployment insurance, insurance for occupational

accidents and diseases, and a group life insurance.

The wages and health insurance contributions you pay must be reported to the Incomes Register. The information must be reported to the Incomes Register within five days of the payment date. Employer's contributions can be paid through the MyTax service. The due date for payments is the 12th (or the following weekday) of the month following the wage payment month. You can authorise your accounting firm to file the reports and to pay the employer contributions on your behalf.

Arrange occupational health care

You are obligated to arrange preventative occupational healthcare for your contractual employees. In addition, you can arrange healthcare provided by a general practitioner.

Kela will pay the employer compensation for the necessary and reasonable costs of occupational healthcare. The compensation must be applied for within six months of the end of the company's financial period.

For your employees, occupational healthcare is free-of-charge. The Occupational Health Care Act is applied to work conducted in Finland that is regulated by the Occupational Safety and Health Act.

Record all working hours

You must record all working hours and compensation paid for them for each employee in the record of working hours. Additional hours, overtime, emergency work and Sunday work must be recorded separately. There are various types of browser-based software for employers for monitoring working hours, and many of them are also suitable for small companies.

The record of working hours must be presented to the occupational safety and health inspector and employee representative upon request. An employee or a person authorised by them is entitled to a written statement about entries that have been made about them in the record of working hours and the shift roster.



The employment contract must include at least the following information

- the domicile or business location of the employer and the employee
 - the date of commencement of the work
 - the duration of the fixed-term employment contract and justification for the employment contract being a fixed-term one
 - the trial period
 - the place where the work is performed or, if the employee has no primary fixed workplace, an explanation of the principles according to which the employee will work at various locations
 - the employee's principal duties
 - the collective agreement applicable to the work (even when such agreement is not applied)
 - the grounds for the determination of the pay or other remuneration, as well as the pay period
 - working hours
 - the annual holiday
 - the period of notice or the grounds for its determination
- See the full content of an employment contract and download a contract template from WWW.TYOSUOJELU.FI/EN

Occupational safety and health requires cooperation

Text: Licensing and supervisory authority, occupational safety responsibility area

You are obligated to take care of your employees' safety and health at the workplace. Systematically identify work-related hazards and risks. If these factors cannot be eliminated, assess their significance for the safety and health of the employee. If you feel that you do not have the expertise to do this, use an external expert, such as an occupational health service. The employee must be provided with sufficient information about the hazards and risks at the workplace. You should take into account the employee's professional skills and work experience.

Different industries have their own safety and health regulations which must be observed. Make sure that the Occupational Safety and Health Act as well as other relevant regulations are easily available.

According to the law, occupational safety and health must be developed and maintained in a collaboration between the employer and employees. The responsibility is assumed by the occupational safety and health manager. You can assume this position yourself or appoint another person to this position.

In a working community of at least ten employees, an occupational safety and health representative and two deputy representatives must be appointed to represent the employees. Managerial staff can have their own representative, and limited personnel groups can have their own occupational safety ombudsman. A working community of at least 20 people must have an occupational safety and health committee.

You must notify The Centre for Occupational Safety's personnel register of your company's contact information, people appointed to safety and health positions, their contact information and date of birth, as well as your occupational healthcare provider. The notifications are the responsibility of the occupational safety and health manager. Make a notification online at WWW.TTKREKISTERI.FI.

You can find more information about occupational safety and health as well as working hours and other topics online at the Occupational Safety and Health Administration's service: WWW.TYOSUOJELU.FI/WEB/EN.

Important to remember: The Incomes Register

The Incomes Register is a national online database that collects information about wages, pensions and benefits to be used by the Tax Administration, pensions and other insurance companies and other authorities requiring this information.

As an employer, you are obligated to report wages and other payments that you have made in the Incomes Register. You can authorise an accounting company to take care of the reports. Many payroll software will allow you to file the reports directly, and this requires authentication. You can also take advantage of the free PALKKA.FI payroll program for small businesses. In the service, you can calculate the salaries of your employees and employer contributions. The service generates and

archives payslips and other accounting documents. In the service, you can choose to have the program automatically send information about employer contributions to the Income Register. You can file the reports online through the Incomes Register service, or in special cases, on a printed form.

You will be filing two kinds of reports to the Incomes Register: earnings payment reports and employer's separate reports. An earnings payment report is filed separately for each employee. You must file the report no later than five days after the payment date.

The payment date is the date when the wages or compensation are available to the income earner. In the earnings report, you must also report benefits, commissions, remunerations, as well as

taxable, and tax-exempt cost remunerations provided to the employee.

In a separate report, you must report the total amount of employer health insurance contributions that you have paid for the reporting month on the basis of the wages paid during the month in question and any deductions made from that amount. If you are in the Employer Register, i.e. a regular employer, you must also file a separate report for the months that you have not paid any wages. In such cases, you will report that you have not paid any wages. At the latest a separate report must be filed on the fifth day of the month following the wage payment month.

More information:

WWW.TULOREKISTERI.FI.

The role of municipalities in promoting vitality

Text: **Mikko Härkönen**, The Association of Finnish Cities and Municipalities

Municipalities are key actors in the development of local vitality. Vitality refers to the ability of a municipality to attract and retain residents, companies and investments, and to provide high-quality services and a good living environment. Municipalities offer a wide range of services to maintain vitality, such as business and educational services.

Municipalities support companies

Municipalities are key actors in promoting local business activities and strengthening the operating environment for businesses. They provide companies with a wide range of support services that help aspiring entrepreneurs set up companies, grow their business and succeed in the area. Municipalities play a particularly important role in a changing operating environment in which local solutions and networks are more important than before.

Municipalities support companies by providing advice and guidance on issues such as setting up a company, financing, recruitment and expanding beyond Finland. This is often done in cooperation with regional development companies, business organisations and educational institutions. Municipalities can also provide companies with premises, sites and infrastructure that enable them to start and expand their business.

Dialogue between companies and municipalities is important. Municipalities organise regular consulta-

tions and networking events where companies can express their needs and development ideas. This interaction helps the municipality to adjust its business policy and services to better meet the expectations of companies.

In addition, municipalities promote the availability of skilled labour by working closely with educational institutions and by supporting the development of the labour force. The transfer of employment services to municipalities at the beginning of 2025 has further strengthened this role, as municipalities can now combine the development of employment and business activities into one seamless unit.

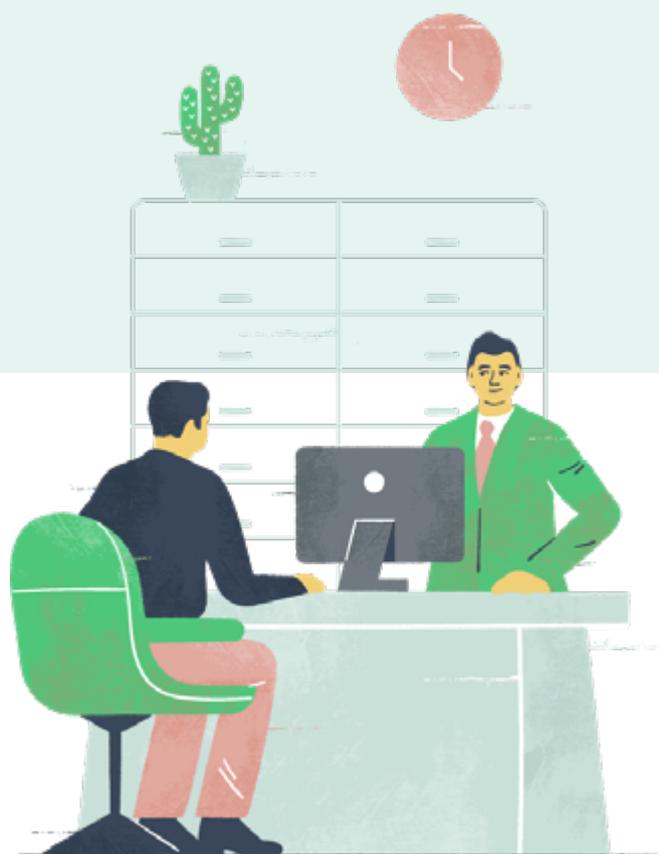
Municipalities are also actively involved in the development of the attractiveness and competitiveness of their regions. They invest in the living environment, services and sustainable infrastructure that attract companies and skilled workers to the region. Sustainability, digitalisation and the green transition are also increasingly important themes in municipal business services.

Municipalities help companies by supporting local entrepreneurship, promoting growth and creating opportunities for sustainable business development.

Visit www.tyosuojelu.fi

The website provides information on employment conditions, working hours, the employment of temporary workers and foreign labour, occupational health care, occupational safety, necessary permits from the occupational safety and health authority (e.g. asbestos removal work), and notifications to the occupational safety and health authority (e.g. hazardous work carried out by young workers).

WWW.TYOSUOJELU.FI/WEB/EN > Services and contact information > Forms.



Growth through acquisition

Is it time to take your business to the next level? Mergers and acquisitions can be the key to rapid growth and a broader market position, without taking a big risk or building a business from nothing. Buying an established business enables you to grow your current business and tap the potential of new resources.

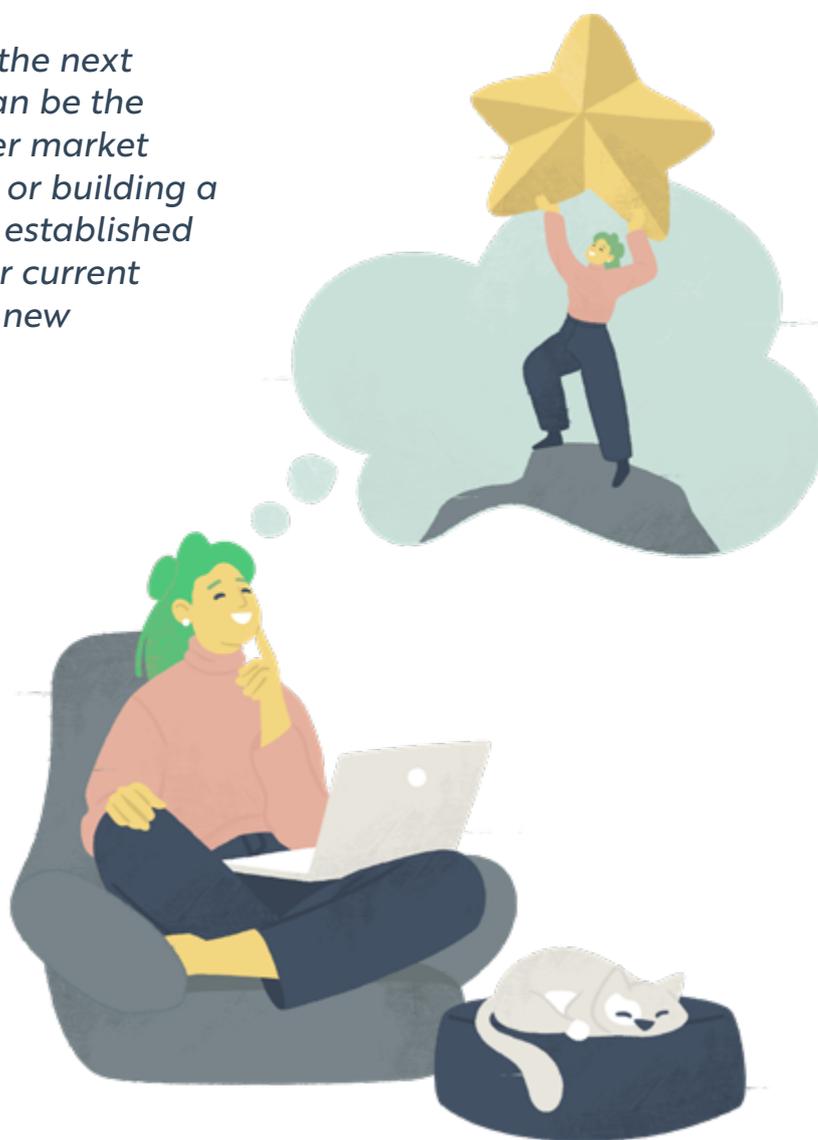
Acquisitions as part of a growth strategy – what are the benefits?

Buying a going concern gives you a foothold in a new market, or even a whole new industry.

Buying a business can offer you resources that complement those of your current business. You can combine business processes, draw on common supply chains and streamline different parts of your business, which can lead to cost savings and improved efficiency.

An acquisition can be a strategic move to acquire competing players in the market. This could strengthen your position as a market leader and reduce competitive pressure in certain markets.

»



There are many good reasons to buy a business.

Buying a business is a viable option even for someone beginning their entrepreneurship. If the acquisition is expertly handled, there are no surprises and business operations can commence immediately.

See businesses for sale:

www.yrityskaupat.net/en



» Mergers and acquisitions are a quick way to expand. Instead of growing step by step, you can take a big leap by buying a ready-made business with a ready-made infrastructure.

Thanks to your company's well-established position, you can negotiate more flexible financing solutions for a takeover. Financial institutions are often interested in supporting companies that expand profitably and in a planned way.

Things to consider before buying a business

Careful planning is the key to a successful acquisition. It's important to ensure that the business you are buying will integrate seamlessly with your current operations. This requires a clear strategy that takes into account factors such as staff, company culture, systems and customers.

As with any business transaction, comprehensive due diligence on the prospective company is essential. This will ensure that you fully understand its financial situation, contracts, debts and potential risks before buying.

The customer relationships and staff associated with the business you aim to buy can be critical to your success. To ensure that your staff stays motivated and your customer relationships can be optimally maintained, you must handle the change of ownership carefully.

Strategic growth through acquisition – a step towards greater opportunities

Where can you find businesses for sale? There are a variety of online business trading platforms in Finland, such as Firmakauppa and Suomen Yrityskaupat. Commercial business brokers have their own websites, as do some regional low-threshold business transfer specialists. Note that many companies are not publicly traded, so you should contact brokers or experts in changes of ownership experts for information. You can also contact the owner of the company you are interested in directly about your willingness to buy. Before making the final purchase decision, however, make sure to consult the necessary experts.

Business growth doesn't always have to happen organically. Mergers and acquisitions are a powerful means of accelerating growth, expanding your operations and securing your market position. A properly planned and executed acquisition can offer new opportunities for greatly developing your business.

YEL provides security in changing life situations

You can easily take out YEL insurance online at www.varma.fi/en/become-a-customer or by phone at **010 244 1010**.

Here at Varma, we help you so that you can focus on what matters most: your own business.

YEL, or the self-employed person's pension insurance, is statutory and, in addition to pension accrual, directly affects the social security of the self-employed person.

As a newly self-employed person, you get a 22% discount on insurance contributions.

Building your skills is the key to success

Being an entrepreneur is more than just running your business. It means always learning new things and developing and reinventing your business. The world is changing rapidly, and to be a successful entrepreneur, you can keep up with the changes by systematically developing your competence.

Text: **Kaisa Vuopala**, Rastor-instituutti

As the entrepreneur, your competence is your company's main capital. Successful business requires a wide range of skills. As an entrepreneur, you are responsible for your business and success. Your competence is one of the most significant cornerstones of success in the different stages of entrepreneurship, whether you are only planning business activities or have already been an entrepreneur for some time.

The operating environment, market and competition change, not to mention technological development, so as an entrepreneur, you must ensure that your skills are also up to date. For example, it is not enough to familiarise yourself with taxation matters once. Instead, you must be aware of the changes and find up-to-date information. You must maintain and develop your skills. Rather than learning new things reactively, aim to develop your skills in a goal-oriented and systematic manner and think of it as a long-term investment in your company's future.

When you develop your skills, you take your business further. New skills and perspectives can open doors to new markets and improve customer experience or efficiency. Developing your skills also supports you in decision-making and helps you anticipate changes. Entrepreneurs also have a diverse and extensive range of duties. As an entrepreneur, you must have the skills specific to your job, whether you run an accounting firm

entrepreneur, a hair salon or a car repair shop. In addition to your job-specific skills, you need versatile skills in entrepreneurship and running a business.

You can develop your entrepreneurial skills and avoid pitfalls with training

Running a business and having an entrepreneurial approach are skills that can be learned and developed. Although many entrepreneurs learn by doing and through experience, learning by trial and error can be both time-consuming and expensive. Entrepreneur training can, for instance, teach you how to adopt a proactive approach to running your business and to avoid common pitfalls. Entrepreneur training helps you strengthen your competence in key business areas, such as sales and marketing, financial administration, legal matters, and management of people and yourself. The latest training also equips you with the skills to seize the opportunities offered by digitalisation and artificial intelligence in business development.

Developing your skills does not require a lot of resources – the key is to have a systematic and curious approach to learning. You can develop your entrepreneurial skills in many ways:

- **Training and coaching:** For instance, further vocational qualification in entrepreneurship, online courses and short coaching courses offer practical learning opportunities in a flexible manner.
- **eLearning:** Allows you to set your own schedule and study alongside working or running your business.
- **Networks and peer support:** Discussions with other entrepreneurs, mentoring and participation in events organised by entrepreneur organisations provide valuable experience and support.

The further vocational qualification in entrepreneurship is an excellent option that offers a practical approach to learning and an opportunity to develop your business with the support of experts and peers. During your studies, you get to network, share your experiences and receive concrete support for developing your business activities. »

When you develop your skills, you take your business further.



» Entrepreneurs should consider what skills are needed right now and what will be needed in the future. By learning new skills that support your company's goals, you support growth and bring concrete benefits to your company. If you are considering developing your skills, ask yourself: What skills should I have to take my business to the next level? Developing your skills is an investment that pays itself back. Don't feel like you have to take care of your professional development alone. There are plenty of opportunities for self-development and learning new skills.

Continuous learning is an opportunity to grow

The world is changing rapidly, and every change brings new opportunities. By keeping your skills up to date, you strengthen your confidence as an entrepreneur and find ways to develop your business at your own pace. Learning is a journey that opens doors to the future.

Rastor Institute – you get exactly the training and coaching you need as a starting entrepreneur. We help you develop your skills and ensure your company's success.



WWW.RASTORINST.FI

Content produced in collaboration with Rastor-institute

Networks provide opportunities

Networking entails meeting new people and getting to know them and their skillset. At its best, networking can offer versatile support for your business. Networking can bring you new customers, subcontractors and ideas.

Networking is practically vital for businesses. Competition is a part of business life in all industries, so companies need to evolve constantly to achieve success. Networking can provide collaboration partners, subcontractors, ideas and new customers. However, it requires time, commitment and trust most of all.

Partners for many occasions

Municipalities, counties, educational establishments, Enterprise Agencies, development companies and associations coordinate different kinds of ecosystems, clusters and groups that bring companies and actors together in networks. An active participation in the network's activities can increase your company's brand conspicuousness and enable collaboration between different organisations. Sometimes the goal of networking might be new innovations, other times increased productivity and cost-efficiency, or perhaps gathering of new information or formation of an export ring.

Networks provide ample opportunities for skill development and collaboration. You might get new perspectives, solutions, information and skills, when you know the right people. Internships, theses and research within the network can also provide a path forward.

The more you give to the network, the more you will benefit.

Networks can also offer courses, joint development projects, workshops, seminars and educational visits. For a developing company, chambers of commerce, entrepreneur associations and business organisations might also become useful partners. In addition to advisory services, running events and providing contacts, associations and organisations often act as advocacies for enterprises in society, organise courses and offer membership benefits, as well as recreational activities for their members. You can find a sparring partner in a business mentor.

Active participation pays off

It is useful to follow different development organisations and associations that could be of interest to your company in social media. Remember to take the initiative. Increasing numbers of networks can be found in LinkedIn for example, or

in other social media communities.

Networks share experiences, best practices and new information amongst members. Finding the right contacts can accelerate your company's development and provide the needed peer support. In their networks, entrepreneurs can share ideas and thoughts that would feel foreign to people that are not company-owners themselves.

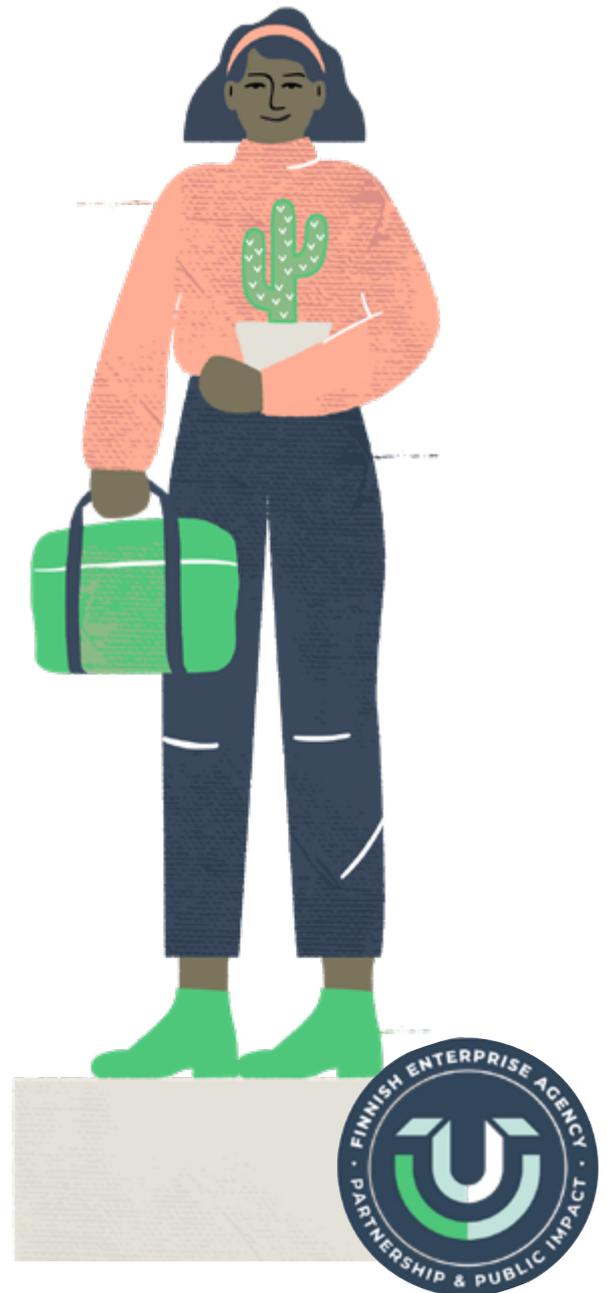
A network that is collaborative, coordinated and well-run can create wide and versatile entities. It is hard to know beforehand what benefits a particular network will bring. It can only be discovered by participating, being open and trusting, and by committing to collaboration.

The value of networking skills is emphasised at various stages of a company's lifecycle. Networking is always based on the principle of exchange. The more a company is willing to give to the network, the more the company will make use of its opportunities.



The Finnish Enterprise Agencies' network – support for entrepreneurs

- Confirma WWW.CONFIRMA.FI
- Docue WWW.DOCUE.COM
- Elinkeinoelämän keskusliitto WWW.EK.FI
- Eläketurvakeskus WWW.ETK.FI
- Fennia-konserni WWW.FENNIA.FI
- Finnvera WWW.FINNVERA.FI
- Hakosalo Oy WWW.HAKOSALO.FI
- Holvi WWW.HOLVI.COM
- Kasvu Open Oy WWW.KASVUOPEN.FI
- Kaupan liitto ry WWW.KAUPPA.FI
- Keskinäinen Eläkevakuutusyhtiö Ilmarinen WWW.ILMARINEN.FI
- Keskinäinen Työeläkevakuutusyhtiö Elo WWW.ELO.FI
- Keskinäinen työeläkevakuutusyhtiö Varma WWW.VARMA.FI
- Kumppania Oy WWW.KUMPPANIA.FI
- Kuntaliitto WWW.KUNTALIITTO.FI
- Lakiasiaintomisto Juutilainen & Co Oy WWW.JLAW.FI
- LähiTapiola Keskinäinen Vakuutusyhtiö WWW.LAHITAPIOLA.FI
- Mikro- ja yksityrittäjät ry WWW.MIKROJAYKSINYRITTAJAT.FI
- Musiikkiluvat Oy WWW.MUSIIKKILUVAT.FI
- Narvi Payments Oy WWW.NARVI.COM
- Nuorten yrittäjyys ja talous NYT WWW.NUORTENNYT.FI
- Omapaja Oy WWW.OMAPAJA.FI
- OP Kevytyrittäjä WWW.OP-KEYTYRITTAJA.FI
- OP WWW.OP.FI
- Osuuskuntien keskusjärjestö Pellervo WWW.PELLERVO.FI
- Palta ry WWW.PALTA.FI
- Patentti- ja rekisterihallitus WWW.PRH.FI
- Pulse 247 Oy MyCashflow WWW.MYCASHFLOW.FI
- Rakennusteollisuus ry WWW.RAKENNUSTEOLLISUUS.FI
- Rastor-instituutti ry WWW.RASTORINST.FI
- Reggster Oy WWW.TAVARAMERKKI.FI
- Rowly Oy WWW.ROWLY.FI
- Smartum Oy WWW.SMARTUM.FI
- Startup Refugees WWW.STARTUPREFUGEES.COM
- Suomen 4H-liitto WWW.4H.FI
- Suomen Ekonomit ry WWW.EKONOMIT.FI
- Suomen Elinkeino- ja Kehitysyritykset SEKES ry WWW.SEKES.FI
- Suomen Franchising-Yhdistys ry WWW.FRANCHISING.FI
- Suomen Kuntoutusyrittäjät ry WWW.KUNTOUTUSYRITTAJAT.FI
- Suomen Metsäyhdistys ry WWW.SMY.FI
- Suomen Nuorkauppakamarit ry WWW.NUORKAUPPAKAMARIT.FI
- Suomen Yrittäjänaiset ry WWW.YRITTAJANAISET.FI
- Suomen Yrittäjät WWW.YRITTAJAT.FI
- Suomen Yrityskaupat Oy WWW.YRITYSKAUPAT.NET
- Suomen Yrityskummit ry WWW.YRITYSKUMMIT.FI
- SuPer ry WWW.SUPERLIITTO.FI
- Taloushallintoliitto WWW.TALOUSHALLINTOLIITTO.FI
- Taloustutka Oy WWW.TALOUSTUTKA.FI
- Tekniikan Akateemisten liitto TEK WWW.TEK.FI
- UKKO Yrittäjäyryspalvelut Oy WWW.UKKO.FI



- Visma Solutions Oy WWW.VISMASOLUTIONS.COM
- Wamo Solutions Oy WWW.WAMO.IO
- YLM Yrityslakimies Oy WWW.YRITYSJURISTI.FI
- Yrittäjäkassa WWW.YRITTAJAKASSA.FI

Selling your business – the right solution at the right time

Even if you're just starting up, in order to be profitable your business should be built from the ground up. The time to sell your business may come sooner than you thought or even as a complete surprise. There can be many reasons for selling: you may not have enough time, your interests may be elsewhere, or you may want to focus on other aspects of your life aside from running a business. Or it may be that you get a good offer from another entrepreneur in the same field. It's important to remember that selling your business does not mean that you are giving up and that it can be a very smart strategic choice.



When does it make sense to sell?

If your business is growing and developing but you no longer have the time or resources to run it full-time, selling might be the logical next step. After all, your business deserves an owner who can focus on its full potential.

As an entrepreneur, you never really know where your path will lead you. Sometimes, your goals or interests can change along the way. You may want to move into another field, try something new or go back to being an employee for another company. In short, selling your business can offer you the freedom you need for finding new adventures.

In life, we are at times faced with situations that require a change: a sudden illness, the needs of our loved ones or other personal reasons. In such a situation, selling your business can be an easy solution that offers financial security and frees you to focus on what's most important.

If your business has been successful and its value has clearly increased, this may be a good time to sell and realise the profits. This way, you can reap the rewards of your long-term efforts for pursuing your next goals in life.

What does it take to sell a business?

Selling your business is not a decision

It might even take years to conclude the acquisition.

to be taken lightly. It requires planning and careful preparation. You need to assess the financial value of your company realistically, and ensure that all the necessary information is in order so that the buyer can have confidence in the health of the business and its prospects. It's wise to draw on outside expertise in the sales process.

Where can you find a buyer? You can find a successor for your company through sales listings on business marketplaces such as Firmakauppa and Suomen Yrityskaupat, by contacting a commercial business broker, local business development experts in your municipality, or your local Enterprise Agency. Potential buyers can also often »

» be found through personal networks and word of mouth – not forgetting family ties (as in the case of a generational transfer), employees and business partners. Tell us about your plans to sell, and get ready to present your business!

When can it make sense to close a business?

Even if starting and running a business has been your passion, the situation may arise where continuing is no longer sensible or maybe even possible. In this case, closing your business may be the right solution. The key is to make the decision early and in a controlled way, as this will make the transition as smooth as possible.

If business expenses consistently exceed revenues and there is no clear trend in sight, it may make sense to consider bringing things to an end. This can protect your personal finances and allow you to focus on new projects or job opportunities.

If the sector in which your business operates has undergone significant changes – for example, due to technological developments, changing consumer needs or economic conditions – it might be too tough to keep going. In such cases, going out of business may be the best way to avoid unnecessary losses.

Life changes, such as moving abroad, serious illness or other personal reasons, may also force you to consider closing your business. If this happens, it's important to take a calm and considered decision so that you can organise the exit process smoothly and ensure that there are no unpleasant financial or legal surprises.

If an exciting new opportunity has opened up for you, like a career opportunity, further education or some other path, closing your business can be a realistic way to free up your resources for a fresh start.

What does it take to close a business?

Going out of business is a process that requires careful planning and attending to formal obligations. All financial and administrative matters, such as taxes,

Selling your business is not a decision to be taken lightly. It requires planning and careful preparation.



employees and contracts, must be in order before the business can be closed. This will reduce future worries and allow a clean start for the next step.

Selling or closing your business is not a sign of failure, but a strategic and personal decision that can lead to new opportunities. Either option can be a step forward, as long as you make the decision wisely and in good time. www.suomi.fi > Company > Changes and crisis situations > Closing down a company

In the suomi.fi online service, you will find instructions on how to close down a business



SUOMI.FI

Expertise that puts people first

A specialist company, Medimo Oy provides consultancy services for pharmaceutical companies and medical device manufacturers. Its growth is based on expertise and a good work atmosphere – putting people first at every step.

Four years ago, **Anu Gummerus** made a decision that changed the direction of her career. With a long career in the pharmaceutical industry behind her, she founded Medimo Oy, a company that provides risk management and compliance services for the pharmaceutical industry. The company is based in Tampere, but operates in the Nordic countries and, if necessary, throughout Europe with the support of a partner network.

Medimo was born from the desire to work in a small-scale, agile and human environment.

“I worked for a long time in large pharmaceutical companies, where growth meant bureaucracy and distance between people. I thought it would be nicer to work in a smaller group where everyone knows each other and can genuinely enjoy what they do”, Anu says.

I wanted to build a workplace where people enjoy coming to.

At first, Anu thought that she would be a sole trader. After three months, however, it became clear that there was plenty of work, so she hired her first employee.

“It was a big and exciting moment, but also the peak of my career as an entrepreneur”, Anu recalls.

A welcoming workplace

At Medimo, well-being is not just a word on a piece of paper. The company’s core values are transparency, respect and community spirit.

“I wanted to build a workplace where people enjoy coming to. We have agreed that even when it's busy, it's OK to take a break, sleep through the night and discuss matters in a good spirit”, Anu says.

Well-being can also be seen in recruitment. Every candidate is evaluated in terms of their skills and also if they are a good fit for the company.

The company's values were defined together with the entire team.

“Everyone was able to express their views, and it laid the foundation that everyone is committed to adhering to”, Anu explains.

Growth without hurry

As of late 2025, the company employs eight experts, and there has been plenty of work without active sales.

“We have a good reputation and a strong network, so the work comes through references. My goal is not to seek growth just for the sake of growth. Instead, I want to create a workplace where people can thrive and feel comfortable”, Anu says.

The company’s strength is having an overall view of the stages of the lifecycle of medicines from marketing authorisations to quality management systems. Thanks to its small size, Medimo can act quickly and flexibly to meet the needs of its customers.

Getting started with the help of business advice services

When Anu was only considering starting her own business, she contacted Uusyrityskeskus Ensimetri to discuss her idea and ensure that she was on the right path.

Business Advisor **Taina Koivula** says that Anu had a clear vision and strong expertise from the start.

“In our discussions, I focused on encouraging Anu by telling her about the practical side of running a business rather than advising her in the traditional sense of the word. It was clear that there would be demand for Anu’s services”, Taina says.

According to Taina, Anu’s strengths include professional skills and understanding of running a business as a whole.

“Anu knows that the key is to be able to seek help at the right time rather than knowing everything. She also had existing networks and a good reputation in the field”, Taina explains.

The support provided by the Enterprise Agency gave Anu confidence and contacts to get started.

“Speaking with experts gave me peace of mind and validation for my ideas”, Anu says.



Support from start gave Anu the confidence she needed as a beginner entrepreneur: "Talking about my ideas with experts gave me peace of mind."

ACCOUNTS LEDGER refers to that part of the accounts where the transactions of the company are listed. The most commonly used accounts ledgers are the sales ledger and purchase ledger. They are used for payment control.

ACCRUAL-BASIS ACCOUNTING means that in addition to the items processed in the cash-basis accounting, receivable and payable items are recorded, even if no invoices have been sent or no payments have been made. In monthly bookkeeping, the performance principle can be applied to selected expense items only, but in financial statements, the performance principle must be applied to the entire financial statement. For example, in day-to-day bookkeeping, labour costs and social security costs can be reported based on the actual work performed, even though the payment is transferred to the following month. In accrual-basis accounting, in addition to the items processed in the cash-basis accounting, receivable and payable items are recorded, even if no invoices have been sent or no payments have been made.

BALANCE is the difference between the debit and credit accounts of a company. The balance of the payable and receivables states the amount of receivables or payables in the account and the bank statement shows the amount of cash in the account or the credit used for the credit account.

BALANCE SHEET This is a statement concerning the company's accounts and forms part of the financial statements of a business. It shows the assets and debts of the business at a certain point in time. In the balance sheet, the assets owned by the business are listed under the Assets heading (debit) while the shareholders' equity and the business's debts are listed under the Liabilities heading (credit), as well as the accumulation of appropriations and mandatory provisions.

BANKRUPTCY is where the operations of a business end and all distrainable assets are converted into cash to pay debts that have arisen from the business's operations. Bankruptcy proceedings may be initiated by the debtor or the creditor.

BOOKKEEPING means keeping a record of a company's financial transactions, performance, solvency, and liquidity.

BREAK-EVEN POINT means the theoretical level of net sales where the business has a zero result, i.e. it makes no profit and no loss.

BUDGET is a company's plan of action in euros. It specifies the company's revenue and cost targets for a specified period of time.

BUSINESS ACTIVITY refers to independent, systematic, and continuous activity that involves risks and that is practiced in order to make a profit.

BUSINESS ANGEL This is an individual who invests his/her own money in growth enterprises.

BUSINESS IDEA is a short description of a company's product or service describing what is being sold, to whom, and how.

BUSINESS PLAN describes how a company operates in its target market and how it generates value for the customer at a price that is acceptable to both parties.

BUSINESS-TO-BUSINESS means between businesses. For example, a marketing campaign may be directed at just businesses, i.e. business-to-business.

CAPITAL Money or assets (property given as a capital contribution) that the entrepreneur or another investor transfers to a business. Capital can be divided into shareholders' equity and liabilities. In addition to the equity that has been invested in the business, shareholders' equity comprises capital that has accumulated from operational income or valuation of the balance sheet assets at a value higher than the acquisition cost. Liabilities comprise capital which an external party has invested in the business and which must be paid back. Depending on the terms of the loan, a subordinated loan may be considered as either equity or liabilities.

CAPITAL INCOME The unearned income of a natural person refers to proceeds from property, capital gains and other income that can be considered to have accrued from company assets, such as income from interest, rent, profit on sales, and dividends from listed companies. Part of the business income of a private entrepreneur, a partner share of the business income of a general or limited partnership, and the dividends paid by a limited liability company can be considered capital income.

CASH-BASIS ACCOUNTING In cash-basis accounting, the company's transactions and financial transactions are recorded based on their date of payment. Cash-basis accounting does not include accounts receivable or accounts payable.

CASH FLOW refers to money that comes into the company when it sells goods or services and money that goes out of the company. Other monetary income, such as investments, loans and dividends, are also included in the cash flow.

COMPETITION A situation in which businesses offering similar products or services compete for the same demand. Businesses can differentiate themselves from competitors by various means, such as location, products, quality, price, and availability. Economic competition is regulated by competition legislation. See also direct and indirect competition.

COST In accounting, the term cost refers to an expense or part of an expense allocated to a certain financial period.

CROWDFUNDING is a practice of collecting funding for projects from people, organisations, and entrepreneurial activity. In order to reach the funding target, funds are usually collected as small sums from a large number of people.

CUSTOMS CLEARANCE This is when goods are imported or exported, and the associated tax-related administrative procedures. Customs clearance is taken care of by the customs authority (WWW.TULLI.FI/EN > Businesses).

DEGREE OF SOLVENCY The more equity an enterprise has in relation to its loan debt, the more solvent the enterprise.

DEPRECIATION The acquisition costs of fixed assets subject to wear and tear (such as buildings and equipment) are entered on the balance sheet (i.e. activated) as assets and deducted in accounting as depreciations during the commodity's depreciable lifetime.

DIRECT AND INDIRECT COMPETITION Direct competition means that another business is competing openly with your business and offering the same products and services. Indirect competition means that another business is offering different products and services from your business, but they can also fulfill the same needs. For example, a pizzeria will compete indirectly with a fast-food outlet selling hamburgers but directly with another pizzeria.

DISTANCE SELLING In distance selling, the buyer has no possibility to view the product before the sale takes place. Distance selling includes, for instance, mail order, telesales, and e-commerce.

DUE DATE is, for example, the last date of payment on an invoice.

EARNED INCOME For example, a salary, a pension and benefits (such as a study grant, child home care allowance or an unemployment allowance). The taxation for earned income in Finland is progressive, i.e. the tax rate increases as the income increases. The tax paid on your earned income includes the state tax, the municipal tax and the church tax (if any).

E-COMMERCE is commerce conducted via the internet. Purchases by consumers are governed by the provisions on distance selling; it is worth while examining them carefully before establishing an online store.

ELECTRONIC INVOICE Only invoices in electronic form that are sent from one invoicing system to another are considered electronic invoices.

An invoice sent in PDF format via email is not considered an electronic invoice. An electronic invoice between businesses is called an e-invoice, while an invoice sent to a consumer is called a digital invoice. Sole traders and companies have the right to receive electronic invoices from other companies upon request. The Finnish Electronic Invoicing Act does not apply to companies with a turnover less than 10,000 euros or companies that only sell to consumers.

EMPLOYEES' PENSION INSURANCE (TYEL INSURANCE) is obtained from pension insurance companies.

FINANCE Starting up a new business always requires money. Finance may include the entrepreneur's own money, operational income, loans or state subsidies.

FINANCIAL PERIOD is a period of time (usually 12 months) for which the company's results (= profit or loss) are calculated. In some (exceptional) circumstances, the business's financial period may be shorter or longer than 12 months (but not more than 18 months), due to operations being commenced or terminated or the date of the financial statements being changed (Finnish Accounting Act). The financial period of a self-employed person and a private trader must be a calendar year unless (s)he prepares a financial statement and applies double entry bookkeeping.

FINANCIAL STATEMENTS cover a financial period. They show the financial result of the business and its financial position at the end of the financial period. It includes the income statement and the balance sheet for the financial period as well as notes and the list of books and records. It must be prepared at the close of each financial period. The financial statements must be audited by an auditor if the company falls under the scope of the audit obligation law or if the company voluntarily wishes to perform an audit.

FIXED COSTS, I.E. ONCOSTS are the costs of a business that are not dependent on the level of production over a short time period and instead remain constant. Fixed costs include, amongst other things, the rental of premises, monthly wages and salaries, bookkeeping and costs arising from the use of machines.

FORM OF ENTERPRISE The forms of enterprise that can be registered in Finland are sole trader (firm), general partnership, limited partnership, limited company and cooperative, as well as the less common forms, public limited company and Societas Europaea (in which at least two members must be from different EU member states).

GDPR (General Data Protection Regulation) is a regulation concerning personal data processing that also applies to companies. Entrepreneurs should study it carefully. WWW.TIETOSUOJAJA.FI/EN.

GOODS include consumer non-durables (e.g. bread, milk and other products that are used directly) and consumer durables (e.g. for example, washing machines and televisions whose operating life is long). Consumer goods or new capital goods are produced with the help of capital goods. Capital goods include, for example, raw materials, machines and fuel.

GROSS PRICE is the total price subject to VAT (if applicable), without any discounts.

GUARANTEE refers to a commitment by which an individual or organisation (guarantor) answers to a creditor for the obligation (principal debt) of another person or company (debtor) under certain circumstances.

INCOME STATEMENT is part of a company's financial statements. The other parts are the balance sheet, notes and a list of the accounting books and materials. The profit and loss statement presents the profits and losses of the financial period as a subtraction statement. The profit and loss statement shows the net income for the financial period (profit or loss).

INCOMES REGISTER is a national database that all employers must use to declare the salaries they have paid. SUOMI.FI identifications and, when acting on behalf on another person,

SUOMI.FI authorisation are used in the electronic Incomes Register service. The service uses personal banking credentials or Mobile ID for authentication.

INCORPOREAL RIGHTS protect immaterial rights, such as technology, design, trademarks and other characteristics.

INDIRECT PERSONNEL COSTS are statutory payments, in addition to the gross salaries payable to employees, that a business must make to the Finnish Tax Administration, to pension and accident insurance companies, and the Employment Fund. Indirect personnel costs include social security, employee pension insurance, worker's compensation insurance, unemployment insurance and group life assurance contributions.

INTEREST RATE A fixed interest rate stays the same for the whole loan period, but a variable interest rate is linked to the reference rate of interest so that it is reviewed at specific time intervals. The reference rate of interest may be, for example, the Euribor rate. Euribor is a reference rate that is published daily and is used by banks when they offer unsecured loans to other banks on the euro money market. In practice, Euribor is the interest rate at which a bank receives money borrowed from other banks. The bank lends these funds forward at a higher interest rate (Euribor + margin).

INVESTMENT is an acquisition or an expenditure with long-term effects for which the company expects to receive income during the course of several financial periods. An intangible investment may be targeted at training, research, or environmental protection, among others. Tangible investments may include machines and equipment.

INVOICE-BASED ACCOUNTING In invoice-based accounting, invoices which have arrived or been sent are recorded in addition to the items included in payments-based accounting, even if they have not been paid yet. In such a case, the bookkeeping must include trade receivables and accounts payable.

LINE OF BUSINESS This indicates what kind of business operations an enterprise engages in, for example, catering activities or retailing of textiles.

LIQUIDITY means the ability of the business to meet payments when they become due.

LOGO This is the registered or established symbol for a business, through which customers distinguish the enterprise from its competitors.

MANAGING DIRECTOR or **CHIEF EXECUTIVE OFFICER (CEO)** This person manages the day-to-day administration of a limited liability company or cooperative in accordance with the directions and regulations given by the Board of Directors. (S)he is responsible for ensuring that the accounting is in accordance with the legislation and that the financial management is organised in a reliable way. The Managing Director or CEO must provide the board and its members with the information that is necessary for the board to take care of their duties.

MARGIN refers to the funds available in the bank. Also see "Sales margin".

MISSION STATEMENT This is a description of the aim of the company's operations, i.e. why the company exists. The company's business plan explains how the mission statement will be implemented in practice.

NET CASH FLOW FROM OPERATIONS This refers to the income receivable from day-to-day business that is used to cover the expenses of the enterprise.

NET OPERATING PROFIT is an item on the profit and loss account that is calculated by deducting variable costs, fixed costs and depreciation and write-downs from net sales. Net operating profit is the profit on the business's operations before distribution of profits. The distribution of profit here mean interests, taxes and dividends.

NET PRICE is the price of a product after all discounts and value-added tax have been deducted.

NET PROFIT (result of the financial period) is

the company's result after taxes but before appropriations and extraordinary items. In other words, it is the company's net sales minus variable costs, fixed costs, depreciation, write-downs, interest costs and taxes.

NET SALES OR TURNOVER refers to the proceeds (excluding VAT) a company receives from the sales of services or goods during a specific period of time, such as a month or a year. Variable and fixed costs are not deducted when calculating the turnover, except for discounts offered.

NOTES are a mandatory part of a company's financial statements where the figures on the income statement or balance sheet are supplemented with verbal information to provide a correct view of the company's operations and financial status during the period under review.

OFFER This is a binding proposal made to another party (vendor or purchaser) to devise an agreement or deal, with the proposal containing the terms of the deal (such as price and time of delivery).

PENALTY INTEREST ON LATE PAYMENTS The interest payable after the invoice payment date, i.e. the due date. This is an additional charge that is levied if the initial sum has not been paid on the due date, at the latest.

PREPAYMENT OF TAX can occur when tax is withheld from an employee in accordance with the personal withholding rate shown on the tax card.

PROFITABILITY A business is profitable when the difference between the business income and expenses is positive, i.e. the company makes a profit.

PROPERTY GIVEN AS A CAPITAL CONTRIBUTION means assets put into a business as a non-monetary investment. Property given as a capital contribution may only be those assets that have a financial value to the enterprise. A commitment to perform work for the enterprise can not be regarded as property given as a capital contribution.

RETAILER This is an importer of goods or a business that handles the retail sales of products from industrial enterprises.

SALES MARGIN is calculated by deducting costs related to materials and services from net sales. The sales margin does not take the (indirect) fixed costs of the business into account. The lower the sales margin percentage, the higher the net sales required by the company to make their operations profitable.

SECURITY For example, a landlord can secure their receivables by charging a two- or three-month security deposit paid in connection with the lease of premises. Securities can be divided into real securities and personal guarantees. A real security relates to an object-specific liability for debts where a specific asset (e.g. a property) has been entered as a security. A personal guarantee means that a specific person becomes liable for the debt of another.

SEGMENT This is a part of a specific entity. For example, customers can be grouped into different segments according to age, education and income level. By using segments, services or products marketing can be focused on a specific customer group, and thus a competitive advantage can be gained.

SELF-EMPLOYED PERSON is an entrepreneur who operates in his/her profession without a fixed workplace and without external manpower.

SELF-EMPLOYED PERSONS' PENSION INSURANCE (YEL insurance) is a mandatory form of pension insurance for entrepreneurs, on the basis of which the entrepreneur accumulates earnings-related pension. Earnings-related pensions are paid in the form of old-age pensions, disability pensions, and as survivor's pensions for the decedent's spouse and children under the age of 20. All allowances from the Social Insurance Institution of Finland (Kela), such as sickness, pregnancy and parental allowances, are also calculated on the basis of the entrepreneur's reported YEL income.

SHARE This is a part of a limited company's share capital. The shareholders own a certain number of shares, i.e. a part of the business. They have voting rights in the company according to their ownership, and they can receive a dividend consistent with their shareholding, i.e. compensation for the capital invested by them in the company.

SHAREHOLDERS' AGREEMENT is a contract concluded between shareholders that / establishes the rules for the management of the company and ownership of its shares.

SME means small- or medium-sized enterprises.

START-UP MONEY is discretionary support for new full-time entrepreneurs. This support can be applied for through the Employment and Economic Development Office. The application must be made before commencement of the new business's operations.

STREAMLINING means the reorganisation of an enterprise. When a business is streamlined, costs are cut back, for example, by reducing the labour force, trying to increase earnings, and improving the flow of capital. Corporate restructuring is a measure sanctioned by a court of law, through which the operations of a legal person who is overburdened by debts are reorganised.

SUBCONTRACTING is work procured from an independent manufacturer or supplier outside the business.

TAX DEDUCTED AT SOURCE is a deduction of tax made from a salary or work remuneration. Tax that is withheld from salaries must be declared by the employer in the Incomes Register

(WWW.VERO.FI/EN/INCOMES-REGISTER) and paid to the Tax Administration. The tax withheld in advance from dividends and interest is reported in the MyTax service.

TERMS OF PAYMENT determine the due date of an invoice or payment and the method of payment, i.e. when and how the sales price is paid to the vendor.

TERMS OF SALE These concern the details that need to be arranged for a deal, such as price, quality and time of delivery.

TRADER Traders can be divided into self-employed people and traders with a fixed workplace.

TRADER WITH A FIXED WORKPLACE This is an entrepreneur who has a fixed workplace or who employs other staff.

UNEMPLOYMENT FUND An unemployment fund pays its unemployed members an earnings-related daily allowance that is determined on the basis of their pre-unemployment income. Joining an unemployment fund is voluntary. In Finland, entrepreneurs can join an unemployment fund for entrepreneurs, such as the Unemployment Fund for Finnish Entrepreneurs (WWW.YRITTAJAKASSA.FI).

VALUE ADDED TAX (VAT) is a tax on consumption which the consumer pays to a business as part of the price for a product or service. The VAT is paid by the business to the Finnish Central Tax Administration.

VARIABLE OR DIRECT COSTS are costs arising from purchased materials and services that depend on the product or service sold. Direct costs of a product include all the costs that occur when the product is manufactured or bought.

WARRANTY During the warranty period, the seller is liable for any defects or flaws in the goods. Generally, the vendor gives the customer a new product in place of the faulty one or returns the amount paid for the product to the customer. Warranty is not statutory, providing warranty is a voluntary benefit.

WORKING CAPITAL A business needs working capital, because expenses usually occur before income. The working capital must be enough to cover the difference. Usually, current receivables and current assets minus current liabilities (excluding loan repayments for the next financial period) are processed as working capital.

Checklist for new entrepreneurs

This checklist has the most important things that should be done before starting a business. A good company is created from an idea that has been carefully prepared and systematically implemented.

1. Business plan

- Prepare a written business plan describing your product or service, customers and markets.
- Make sure to also explain what problem your service/product will solve and why the customer would choose you instead of a competitor.
- ! The contents of a business plan are presented on page 10, and there are also templates available online.

2. Financial calculations

- Do investment, financial, profitability and sales calculations and the cash budget.
- Base the figures on realistic estimates and pay attention to pricing. See example calculations on page 12–17.
- ! The calculations help convince potential financiers and yourself of the profitability of your company.

3. Form of enterprise

- Compare and select the most appropriate form of enterprise for your business.
- Consider the different forms of light entrepreneurship.
- ! The form of enterprise affects different aspects, such as taxation, accounting and liabilities.

4. Advisor meetings

- Book an appointment at an Enterprise Agency for the preparation of a business idea, calculations and start-up grant application.
- Arrange meetings with the bank, accounting firm, insurance company and other key experts as necessary.
- ! A good plan put together with experts gives you confidence in your decisions.

5. Financing

- Apply for financing from a bank, Finvera or other financiers.
- Prepare for self-financing and financing via securities.
- ! Find out what support is available for businesses in advance.

6. Start-up grant and other income security for entrepreneurs

- Determine your eligibility for a start-up grant in good time.
- Submit your application and its appendices to the employment authority before starting your business.
- ! Determine your unemployment security as an entrepreneur and join

an entrepreneur fund if you want earnings-related benefits instead of Kela's benefits.

7. Permits and notifications

- Check whether your planned business activities are subject to authorisation or special approvals.
- Your permits and approvals must be in order before commencing operations.
- ! The Finnish Supervisory Agency and municipalities manage most of the permit matters related to business activities.

8. Registration and memoranda of association

- Submit a start-up notification in the Business Information System and register in the necessary tax authority registers (VAT, prepayment, employer).
- Choose a name for your company, check that it is available and consider a trademark and domain name.
- ! Note: Registering in the Finnish Trade Register is not always compulsory for sole traders with a trading name, but registration protects the name of the business and is required if applying for a mortgage on company assets.

9. Taxation

- Assess advance taxes and ensure that your company is registered for VAT if its turnover exceeds the threshold for small-scale business activity.
- Apply for and, if necessary, change the advance tax in MyTax.
- ! Subscribeto the Tax Administration's Information package for new businesses free of charge



10. Monetary transactions

- Open a bank account for your business and separate the company's funds from your personal money.
- Select the invoicing and payment methods (e-invoice, payment terminal, mobile payment).
- ! Easy-to-use payment methods increase sales and make bookkeeping easier.

11. Bookkeeping

- Select an accounting firm and agree on the services you need.

- Bookkeeping is a statutory obligation and an important management tool.
- ! Keep an eye on the reports and talk to the accounting firm regularly.

12. Insurance

- Take out YEL insurance and other insurance policies you might need, such as liability, property and accident insurance.
- Check the sector-specific special requirements (e.g. patient or vehicle insurance).
- ! Insurance policies protect both the entrepreneur and the customer.

13. Premises and equipment

- Choose the premises and equipment that fit your needs and compare rental and purchase options.
- Take care of agreements and check safety requirements, notifications, permits and other similar matters.
- ! The premises must be suitable for your company's operations; do not underestimate the importance of your location.

14. Sales and marketing

- Prepare a marketing plan and find out how you can reach your customers.
- Monitor the success of marketing – what kind of communication increases sales?
- ! Allocate resources (time, money and expertise) for sales and marketing.

15. Staff

- Prepare employment agreements in writing and take care of your obligations as an employer.
- The acts on insurance, payroll and working hours related to employment relationships apply to all employers.
- ! Familiarise yourself with collective agreements and invest in good orientation.

16. Entrepreneur support network and personal well-being

- Use the services provided by Enterprise Agencies, development companies, Business Mentors and entrepreneur organisations.
- Do not delay getting in touch if you have any concerns – advice and support are always available.
- ! Remember your own well-being – as the entrepreneur, you are the driving force of your company.

Do you dream of your own business? Business advisory services help you get started!

Do you have a business idea, passion or skill that you would like to turn into a successful company? Starting a business is a bold decision, but you don't have to do it alone. Business advisory services provide expert support, clarity and concrete advice for each phase, helping you develop your idea into a profitable business.

You, too, are very likely to have a local business advisory unit that is part of the nationwide network of Enterprise Agencies.

Take the next step towards your dream and book an appointment at your nearest Enterprise Agency for free, quality-certified advice. We are here for you!

VALENTIN BABITZIN
Business Advisor for New Entrepreneurs of the Year 2025 Business Helsinki



What our customers say

"We are getting ready to take off. We managed to get corporate financing – thank you for helping us out. The bank said that our business plan and budget were well designed."

Mikko, Helsinki

"My advisor talked me through everything, inducing submitting a start-up notification. It was a great help as I didn't even understand some of the questions in the notification!"

Laura, Mikkeli

Test your business idea with Ideanappi

Explain your idea in 500 characters, and a business advisor will give you feedback and instructions on how to proceed.

What problem or need have you identified? Who or what kinds of people have this problem or need? What is your solution to the problem or need?



Click
Ideanappi.fi!

Interested in setting up you own business? Attend an information session on entrepreneurship!

Entrepreneurship information sessions provide tips and guidance on finding, developing and testing an idea and the issues to be taken into account when preparing a preliminary business plan. You will also receive practical information on part-time entrepreneurship, light entrepreneurship and taking your first steps as an entrepreneur through a business acquisition. The sessions are organised through Teams. The sessions are not recorded, but attendees will get a summary of the matters discussed via email after the event.



Events calendar

Nationwide entrepreneurship information sessions are available in our Events calendar

The Finnish Enterprise Agencies on social media

You can also find the Enterprise Agencies on social media. Did you have a meeting with a business advisor? Tag us!

 Suomen Uusyrityskeskukset ry

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 Suomen Uusyrityskeskukset – Finnish Enterprise Agencies

Sign up for our newsletter

What's new in the Enterprise Agencies and the Finnish business world? Sign up for our newsletter (only available in Finnish) to stay up to date: WWW.UUSYRITYSKESKUS.FI/EN > Sign up for our newsletter.

Enterprise Agencies at your service

- Ab Jakobstadsregionens Utvecklingsbolag Concordia –
Oy Pietarsaaren seudun Kehittämisyhtiö Concordia WWW.JAKOBSTADSREGIONEN.FI
- Business Espoo – Espoon Seudun Uusyrityskeskus WWW.BUSINESSESPOO.COM
- Business Helsinki – Helsingin Uusyrityskeskus WWW.HEL.FI/BUSINESSHELSINKI
- Business Hyvinkää – Hyvinkään kaupunki WWW.HYVINKAA.FI
- Business Joensuu WWW.BUSINESSJOENSUU.FI
- Business Rauma – Rauman kaupunki WWW.RAUMA.FI
- Business Sydspetsen – Business Eteläkärki WWW.BUSINESSYDSPETSEN.FI
- Business Vantaa – Vantaan Uusyrityskeskus WWW.BUSINESSVANTAA.FI
- Business Äänekoski WWW.BUSINESSAAANEKOSKI.FI
- Cursor Oy WWW.CURSOR.FI
- Etelä-Pohjanmaan Uusyrityskeskus ry Neuvoa-antava WWW.NEUVOA-ANTAVA.FI
- Haapaveden kaupunki WWW.HAAPAVESI.FI
- Hangon kaupungin yrityspalvelut WWW.HANKO.FI
- Hämeen Uusyrityskeskus WWW.HAMEENUUSYRITYSKESKUS.FI
- Imatran Seudun Kehitysyhtiö Oy WWW.KEHY.FI
- Itä-Savon Uusyrityskeskus ry WWW.ITASAVONUUSYRITYSKESKUS.FI
- Kehitysyhtiö SavoGrow Oy WWW.SAVOGROW.FI
- Kemiönsaaren kunta WWW.KIMITOON.FI
- Keski-Suomen Yritysidea WWW.YRITYSIDEA.FI
- Keski-Uudenmaan Kehittämiskeskus Oy KEUKE WWW.KEUKE.FI
- Kirkkonummen kunnan yritysneuvonta WWW.KIRKKONUMMI.FI/YRITYSNEUVONTA
- Kokkolanseudun Kehitys Oy - KOSEK WWW.KOSEK.FI
- Kouvola Innovation Oy WWW.KINNO.FI
- Kuopionseudun Uusyrityskeskus ry WWW.KUOPIONSEUDUNUUSYRITYSKESKUS.FI
- Lahden Seudun Kehitys LADEC Oy WWW.LADEC.FI
- Lappeenrannan kaupungin yrityspalvelut WWW.LAPPEENRANTA.FI/YRITYSPALVELUT
- Lieksan Kehitys Oy LieKe WWW.LIEKSANKEHITYS.FI
- Mikkelin seudun Uusyrityskeskus ry WWW.MIKKELINUUSYRITYSKESKUS.FI
- Nivala-Haapajärven seutu NIHAK ry WWW.NIHAK.FI
- Oulun seudun Uusyrityskeskus ry WWW.OWLUNSEUDUNUUSYRITYSKESKUS.FI
- Paraisten kaupunki WWW.PARGAS.FI/YRITYSNEUVONTA
- Posintra Oy WWW.POSINTRA.FI
- Riihimäen Tilat ja Kehitys Oy WWW.RTOY.FI
- Simon kunta WWW.SIMO.FI
- Siuntion kunta WWW.SIUNTIO.FI/TYO-JA-ELINKEINO
- Turun kaupungin alkavan yrittäjän palvelut WWW.TURKU.FI
- Uusyrityskeskus Ensimetri WWW.ENSIMETRI.FI
- Uusyrityskeskus Enter Satakunta WWW.PRIZZ.FI
- Vaasanseudun Uusyrityskeskus Startia WWW.VASEK.FI
- Vakka-Suomen Uusyrityskeskus – Ukipolis Oy WWW.UKIPOLIS.FI
- Valkeakosken kaupungin elinvoimapalvelut WWW.VALKEAKOSKI.FI
- VihtiBusiness WWW.VIHTIBUSINESS.FI
- Wäläkky Keski-Savon Uusyrityskeskus ry WWW.WÄLÄKKY.FI
- Ylivieskan elinvoimapalvelut WWW.YLVIESKANELINVOIMA.FI
- YritysLohja – Lohjan Uusyrityskeskus WWW.YRITYSLOHJA.FI
- Yrityssalo Oy WWW.YRITYSSALO.FI

Book a business advisor meeting free of charge

People contemplating or starting an entrepreneurship can turn to 46 Enterprise Agencies for help. Advisory services are provided by more than 200 business advisors and there are 1,500 experts in different sectors. The network is supported by 1,000 undertakings and 270 associations.

The ISO 9001:2015-certified quality model ensures that 80% of businesses established through the Finnish Enterprise Agencies remain operational after five years. Without this quality advisory support, the corresponding share is only about 50%. Let's make your business succeed!

