

TAKING THE STING OUT OF COMPANY REGISTRATIONS

South Africa is the second largest economy in Africa and ranking among the top conducive markets when it comes to the ease of doing business compared to international counterparts. In fact, the country continues to attract the international business community. On the local front, government has been encouraging citizens to create their own businesses as part of concerted efforts to address the high unemployment rate, currently at 26.6%.

Some regard the business environment as challenging for new entrepreneurs and many are struggling to navigate through the maze of red tape to give the proverbial first step to set up shop. While coming up with and starting a SMME is a tough enough task as is, one of the crucial steps in the process will be registering your business.

New businesses must adhere to certain administrative procedures, legal rules and statutory requirements. Hennie Ferreira, CEO of Osidon, says they have taken the sting out of this painful process.

'A lack of knowledge about the correct process to follow when registering a company is where many new entrepreneurs stumble. This is such a crucial sector for growing our economy that we have set up a system to provide SMMEs with a complete start-up box for their new business with company registrations central to this process. We guide entrepreneurs from the start to ensure the building blocks of their new companies are built on a strong foundation,' he explains.

More than 600-thousand new companies are registered in South Africa on an annual basis. However, Ferreira says the country still has too many informal businesses.

'Registering a company is the first step in the right direction to formalise your enterprise. This, however, is a huge problem the country is facing at the moment; there are too many informal establishments. This translates into more companies that are not Tax compliant and not contributing to the growing economy and employment,' he explains.

Failing to put in place the correct building blocks from the start can contribute to a much larger problem in the long run.

'Compliance is the most important element for an entrepreneur starting their business and this needs to be in place from day one. Many entrepreneurs, having been in business for many years, are now forced to liquidate because of large debts that piled up over the years. By entrusting their services to Osidon, SMMEs can spare themselves a lot of hardship in years to come,' Ferreira warns.

Ferreira says they assist new businesses with basic information such as ownership and division of shares which could pose problems down the line if it's not correctly addressed. The majority of new business owners are not aware of the requirements imposed when registering with the CIPC.

'Usually when companies approach the CIPC to register their business, the process is not clearly explained. We guide these SMMEs through the process by asking the right questions. Amongst others we explain the difference between a director and a shareholder as well as the difference between the various shares. Furthermore, they are also issued with a share register and share certificate, two very critical documents according to the Companies Act, 71 of 2008 that need to be set up within a reasonable amount of time from company registration.'

Besides the company registrations, Osidon also offers new companies free accounting/tax/payroll advice and support amongst others for three months.

'Clients also receive free cloud storage for their company documents and other important official papers. Other series include assisting them with platforms to apply for funding and creating a company website,' he elaborates.

Company registrations and other services are offered to SMMEs at a well below market related price. Osidon is the world's first online digital accounting firm, developed on local soil and offers all their services 100% online from their website www.osidon.com.

'We have used the latest AI and Cloud technologies to build a digital accountant. Accounting functions are therefore executed by an Intelligent System while clients are also assigned a human accountant to assist with other areas such as consulting, advising and continuous support around other areas including compliance. We are the fastest growing SMME accounting firm in South Africa and we're also launching into the UK and USA markets early in 2020.'

Ferreira says they will continue developing their system to adapt to the ever-changing environment. He says Osidon firmly believes entrepreneurs should focus on running their business and not be plagued by compliance and red-tape.

Osidon will host a press conference on Thursday, 2 May 2019, in Johannesburg to share ground breaking details on new services on offer for SMMEs.