

**REVIEW Estimating risks & opportunities in your business with Heidrun Wehmeyer and Jutta Witzel , March 15, 2014, 2:00\* - 5:30 p.m.**



**ELTAS Event Review by Kevin Lilley**

Jutta and Heidrun gave us a very practical talk which really got us down to the nitty-gritty of what it means to be a freelancer.

The two ladies had a clear division of responsibilities with Jutta approaching the subject more from a teacher's point of view (right brain) and Heidrun from the point of view of a business person (left brain). Her more direct, matter-of-fact approach to the subject was appreciated by the audience as evidenced by the feedback sheets. This may be because it helped us teachers focus on what we know is important but don't like to think about.

One thing which was stressed by both speakers was that there is no blueprint for running a successful business. Each case is different and what is right for one trainer in his/her particular situation is not necessarily right for another. This applies especially to the courses I should take on, where the courses are located and, of course, to the sensitive issue of hourly rates. More of that later.

Heidrun gave us an insight into how little time freelancers really have to earn their money. We were shown that, assuming no pay for preparation time, when you deduct vacations, bank holidays and weekends, you are left with an average of 205 days a year to earn money in. This is something we need to keep in mind when negotiating rates! We were also given valuable insights into the German taxation system. There were handouts detailing the German and English terms for gross income, net income, expenses, sales tax etc. and how they all fit together in an "Einnahmeüberschussrechnung". From Heidrun's accounting experience, she was able to show us how the Finanzamt really thinks. Subjects like: What is a "Kleinunternehmer?" and what expenses will the Finanzamt allow me to deduct from my gross income, were discussed in detail. (Also the fact that the expenses I can deduct will vary depending on which country they are incurred in). These are issues which are not everyday topics for teachers but ones which have a direct bearing on their livelihoods!

Other subjects which were touched upon included what to consider when employing someone to help with my business and how the tax office will treat me if I have part-time employment in addition to working freelance. The point was made by Heidrun that, even if it may be a good idea to seek help with some aspects of our businesses eg. by using an accountant or someone to help with administration, a trainer has to take responsibility for his/her business at the end of the day.