



## New Business Checklist

## 1. INITIAL CONTACTS

For preliminary advice, the following parties will be able to give you general information about how to start a business and direct you to other sources of information and assistance:

Innovation PEI  
Canada / PEI Business Service Centre  
Atlantic Canada Opportunities Agency (ACOA)  
Regional Development Corporations  
Accountant / Lawyer / Banker

A complete list of business development resource contacts is included with this checklist for your reference.

## 2. FORM OF BUSINESS STRUCTURE

A business may be started as a sole proprietorship, partnership, corporation or cooperative, each with its own separate legal and tax characteristics. Seek legal advice when more than one owner is involved.

Discuss the costs and benefits of incorporation, including limited liability, tax deferral and use of losses, with an accountant and a lawyer before proceeding.

If you decide to incorporate, be sure to understand each of the following:

- tax planning opportunities
- drafting of buy / sell agreements
- choice of federal or provincial incorporation
- eligibility for employment insurance
- directors' liability / personal guarantees
- annual costs and filing requirements

## 3. INITIAL CONSIDERATIONS

The success or failure of a new business may be influenced by how well you research and consider the following:

- personal commitment
- family support
- experience
- financial resources for equity
- location (consider market, suppliers, competition)
- zoning, by-laws, restrictive covenants
- transportation facilities
- leasing versus owning of assets
- security and fire protection
- competition
- utilities available
- patent, trademark, industrial design or copyright protection
- availability of qualified personnel
- quality of product or service
- costing
- markets
- management structure

#### 4. BUSINESS PLANNING

The importance of proper planning cannot be over-emphasized. Planning should include the preparation of a business plan which encompasses management, marketing, production and financing details.

Determining the amount of financing necessary and arranging to obtain it from appropriate sources requires consideration of the following:

- opening balance sheet
- projections of income, expenses, financial position and cash flow
- your personal net worth
- corporate or personal security available
- limited or unlimited personal guarantees will be required
- equity contributions as required by the owners (usually 20-25 percent minimum)
- alternate financing sources, personal, banks and similar institutions (trust companies, credit unions), Innovation PEI, Business Development Corporation (BDC), trade creditors, private investors, leasing companies and venture capital
- grants and repayable contribution - Atlantic Canada Opportunities Agency (ACOA), Innovation PEI, Human Resources Development Canada, Industry Canada, specific government departments with respect to your industry, National Research Council and investment tax credits.

#### 5. REGISTRATIONS, ETC.

Some or all of the following may be applicable:

***Name or Partnership Registration:***

Office of the Attorney General  
Consumer, Corporate & Insurance Services  
Division

Corporate Sector, 4th Floor, Shaw Building  
95 Rochford Street, PO Box 2000  
Charlottetown, PE C1A 7N8  
Ph: 902-368-4550  
Fax: 902-368-5283

Or any of the respective Access PEI Centres

***Business Number for:  
Corporate Income Tax, Goods &  
Services Tax (GST), and  
Payroll Deductions***

Federal Tax Department  
Charlottetown Tax Services Office  
Canada Customs and revenue Agency  
161 St. Peter's Road, R. Birt Centre  
PO Box 8500, Charlottetown, PE  
C1A 8L1  
Ph: 902-628-4259; 1-800-959-5525  
Fax: 902-566-7197

Federal Tax Department  
Summerside Tax Centre  
Canada Customs and Revenue Agency  
275 Pope Road  
Summerside, PE C1N 5Z7  
Ph: 1-800-267-6999  
Fax: (902) 432-5359

Forms available at some Access PEI Centres

***Provincial Sales Tax License: (also obtain information on Revenue Tax Act, Property Tax Act, Gasoline and Diesel Oil Tax Act)***

Department of Finance & Municipal Affairs  
Taxation and Property Records Division  
Finance-Revenue Division  
1st Floor, Shaw Building  
Rochford Street, PO Box 2000  
Charlottetown, PE C1A 7N8  
Ph: (902) 368-4075  
Fax: (902) 368-6164

***Or any of the respective Access PEI Centres***

**Workers Compensation Board**

14 Weymouth Street, PO Box 757  
Charlottetown, PE C1A 7L7  
Ph: (902) 368-5680; 1-800-237-5049  
Fax: (902) 368-5696

**Service Canada / HRSDC**

191 University Avenue  
PO Box 8000  
Charlottetown, PE C1A 8K1  
Ph: 1-800-622-6232  
(Regional offices listed on page 7)

***Environmental Regulations: Federal***

Environment Canada  
191 University Ave.nue  
Charlottetown, PE C1A 4L2  
Ph: (902) 566-7042  
Fax: (902) 566-7279

***Environmental Resources: Provincial***

Department of Environment  
Pollution Control  
4<sup>th</sup> Floor, Jones Building  
11 Kent St, P.O. Box 2000  
Charlottetown, PE C1A 7N8  
Ph: (902) 368-5035  
Fax: (902) 368-5830

***Employer Information:***

Department of Community Services, Seniors  
and Labour  
Sherwood Business Centre  
2nd Floor  
P.O. Box 2000  
Charlottetown, PE  
C1A 7N8  
Ph: (902) 368-5550 Toll free: 1-800-333-4362  
Facsimile: (902) 368-5476

Skills PEI  
Atlantic Technology Centre  
90 University Avenue, Suite 212  
Charlottetown, PE C1A 4K9  
Ph: (902) 368-6290  
Fax: (902) 368-6340  
(Regional offices listed on page 7)

***Inspection:***

***(food service facilities, tourism facilities,  
plants and institutions)***

Queens Regional Health Agency  
Environmental Health  
161 St. Peter's Road, PO Box 2000  
Charlottetown, PE C1A 7N8  
Ph: (902) 368-4970  
Fax: (902) 368-6468

Quality Tourism Services Inc.  
375 University Avenue, Unit B  
Midtown Plaza  
Charlottetown, PE C1A 4N4  
Ph: (902) 566-3501  
Fax: (902) 566-3575

***Control of food, drugs, cosmetics and medical devices:***

Canadian Food Inspection Agency  
690 University Avenue  
Charlottetown, PE C1A 1E3  
Ph: (902) 566-7290  
Fax: (902) 566-7334

***Other Licenses, Permits:***

Obtain advice from lawyer, local town or municipality as well as from industry associations. Requirements vary by industry and location.

***Patents, Trademarks, Industrial Designs:***

Canadian Intellectual Property Office  
(CIPO)

Industry Canada  
1575 Brunswick Street  
Halifax, NS B3J 2G1  
Ph: (902) 426-6476  
Fax: (902) 426-6530

or contact your local Canada/PEI Business Service Centre

## **6. BOOKKEEPING**

Appropriate bookkeeping is required for adequate management and for meeting legal responsibilities.

Consider the following:

- Who will keep the books?
- How sophisticated must your books be? Is a general ledger needed with a full compliment of ledgers, or will a simple cash book be sufficient? Would a computer be beneficial?
- Is bookkeeping/computer instruction needed?
- All expenses should be paid by and supported by an invoice.
- All income should be supported by receipts. All deposits should be recorded in a deposit book.
- The use of a current (business) account is encouraged.
- Proper filing systems should be established.
- Owner payments - cost/benefit of various payments to owners must be evaluated. These include wages, bonuses, dividends, fees, interest and shareholder loan repayments.
- Personally paid business expenses must be accounted for.
- Record office in home/personal vehicle items if applicable.
- Payroll calculations must be accurate and T4/T5/Workers Compensation Board filing requirements must be followed.
- Provincial Sales Tax, Goods and Services Tax record keeping and special procedures must be understood.
- Petty cash must be controlled and recorded correctly.
- Ensure control over cash, accounts receivable and accounts payable.

## 7. GENERAL

Other matters that may be of concern include:

- acquisition of appropriate insurance policies including Directors, liability, fire, business interruption, life, disability, etc.
- government assistance programs may be available to assist you
- North American Free Trade Agreement, cross border duties and custom regulations for importing / exporting
- type of annual financial statement required - audited, review engagement or compilation
- accessibility to accounting and management advice as needed
- marketing strategy
- consider a personal financial plan in conjunction with your business planning
- creditor proofing

There are a wide variety of useful information sources available including government agencies and departments, business and trade associations, universities and libraries, as well as your professional advisor. Maximize your researching of this information.

## 8. USEFUL CONTACTS

### **Innovation PEI**

94 Euston Street, PO Box 910  
Charlottetown, PE C1Z 7L9  
Ph: 1-800-563-3734 or (902) 368-6300  
Fax: (902) 368-6301  
Email: [business@gov.pe.ca](mailto:business@gov.pe.ca)  
[www.innovationpei.com](http://www.innovationpei.com)

### **Canada Business**

1st Floor  
191 University Avenue  
Charlottetown, PE C1A 4L2  
Ph: 902-368-0771 Toll Free: 1-888-576-4444  
[www.canadabusiness.ca](http://www.canadabusiness.ca)

### **Access PEI/Accès Î.-P.-É., O'Leary**

PO Box 8, O'Leary, PE C0B 1V0  
Ph: (902) 859-8857  
Fax: (902) 859-8709

### **Access PEI/Accès Î.-P.-É., Summerside**

120 Harbour Drive, PO Box 2063  
Summerside, PE C1N 5L2  
Ph: (902) 888-8006  
Fax: (902) 888-8023

### **Access PEI/Accès Î.-P.-É., Wellington**

PO Box 58, Wellington, PE C0B 2E0  
Ph: (902) 854-3439  
Fax: (902) 854-7255

### **Access PEI/Accès Î.-P.-É., Montague**

PO Box 1500, Montague, PE C0A 1R0  
Ph: (902) 838-0609 Mon., Wed. & Fri.  
Fax: (902) 838-0610

### **Access PEI/Accès Î.-P.-É., Souris**

PO Box 550, Souris, PE C0A 2B0  
Ph: (902) 687-7082, Tues. & Thurs.  
Fax: (902) 687-7091

**Skills PEI: [www.SkillsPEI.com](http://www.SkillsPEI.com)**

**Charlottetown**

Atlantic Technology Centre  
90 University Avenue, Suite 212  
Charlottetown, PE C1A 4K9  
Ph: (902) 368-6290  
Fax: (902) 368-6340

Sullivan Building  
16 Fitzroy St, 1st Floor  
Ph: (902) 368-5805  
Fax: (902) 368-5909

**Summerside**

Access PEI  
120 Harbour Drive  
Ph: (902) 438-4151  
Fax: (902) 438-4096

**O'Leary**

Future Tech West  
454 Main Street  
Ph: (902) 859-8898  
Fax: (902) 859-8895

**Montague**

541 Main Street  
Ph: (902) 838-0674  
Fax: (902) 838-8090

**Service Canada: [www.ServiceCanada.gc.ca](http://www.ServiceCanada.gc.ca)**

**Charlottetown Service Canada Centre**

191 University Avenue  
Charlottetown, PE C1A 4L2  
Ph: 1-800-622-6232

**Montague Service Canada Centre**

491 Main Street  
Montague, PE C0A1R0

**Summerside Service Canada Centre**

294 Church Street  
Summerside, PE  
C1N 0C1

**Souris Service Canada Centre**

173 Main Street  
Souris, PE C0A2B0

**Wellington Outreach Services**

48 Mill Road  
Wellington, PE C0B2E0

**O'Leary Service Canada Centre**

371 Main Street  
O'Leary, PE C0B1V0

**ACOA: [www.acoa-apeca.gc.ca](http://www.acoa-apeca.gc.ca)**

**Atlantic Canada Opportunities Agency**

Royal Bank Building, 3rd floor  
100 Sydney Street, PO Box 40  
Charlottetown, PE C1A 7K2  
Ph: 1-800 871-2596 (902) 566-7492  
[www.acoa-apeca.gc.ca](http://www.acoa-apeca.gc.ca)

## DEVELOPMENT CORPORATIONS

### **Community Business Development Corporation (CBDC) —Central PEI**

11 Water Street  
Summerside, PE C1N 1A2  
Ph: (902-888-3793  
www.cbdc.ca

### **CBDC—West Prince Ventures**

45 Main Street  
Alberton, PE C0B 1B0  
Ph: (902) 853-3636

### **CBDC—PEI East**

540 Main Street  
Montague, PEI C0A 1R0  
Ph: (902) 838-4030

### **Active Communities Inc.**

1A Crescent Lane, PO Box 758  
Montague, PE C0A 1R0  
Ph: 1-800-953-4030; (902) 838-4030  
Fax: (902) 838-4031

### **Summerside Regional Development Corporation**

286 Water Street  
Summerside, PE C1N 1B6  
Ph: (902) 436-2246  
www.summersidewaterfront.com

### **Charlottetown Area Development Corporation**

4 Pownal Street, PO Box 786  
Charlottetown, PE C1A 7L9  
Ph: (902) 892-5341  
www.cadcpei.com

### **Resources West**

455 Main Street  
PO Box 220  
Alberton, PE C0B 1B0  
Ph: (902) 853-4555  
www.resourceswest.pe.ca

### **Central Development Corporation**

PO Box 3981  
Central Bedeque, PE C0B 1G0  
Ph: 1-877-887-3400; (902) 887-3400  
www.centraldevelopmentcorp.com

### **La Société de développement de la Baie acadienne**

C.P. 67, 48 ch. Mill  
Wellington (Î.-P.-É.)  
C0B 2E0  
Tél. : (902) 854-3439  
www.sdbaibe.ca

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