



New Business Checklist



Innovation PEI

94 Euston Street, PO Box 910, Charlottetown, Prince Edward Island, Canada C1A 7L9

Telephone: 902-368-6300

Facsimile: 902-368-6301

Toll-free: 1-800-563-3734

innovation@gov.pe.ca

www.princeedwardisland.ca

1. Initial Contacts

For preliminary advice, the following organizations 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](#)
- [Finance PEI](#)
- [Canada Business - PEI](#)
- [Atlantic Canada Opportunities Agency \(ACOA\)](#)
- Regional Development Corporations
- [Rural Action Centres](#)
- 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 copy-right 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, and 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:

Department of Justice and Public Safety Consumer, Labour and Financial Services
Corporate Sector, 4th Floor, Shaw Building
95 Rochford Street
PO Box 2000
Charlottetown, PE C1A 7N8
Telephone: 902-368-4550 Facsimile: 902-368-5283

Or any of the respective Access PEI Centres

Business Number for: Corporate Income Tax, Harmonized Sales Tax (HST), and Payroll Deductions:

Federal Tax Department - Charlottetown Tax Services Office - Canada Revenue Agency
161 St. Peter's Road, R. Birt Centre
PO Box 8500
Charlottetown, PE C1A 8L1
Telephone: 1-800-959-5525 Facsimile: 902-566-7197

Federal Tax Department - Summerside Tax Centre - Canada Revenue Agency
275 Pope Road
Summerside, PE C1N 5Z7
Telephone: 1-800-267-6999 Facsimile: 902-432-5359 Forms available at some Access PEI Centres

SOCAN

Click here to Apply online Website: www.socan.ca/

Apply offline: licence@socan.ca If you require additional assistance please call: 1.866.944.6223

Provincial Tax Information: (such as Revenue Tax Act, Property Tax Act, Gasoline and Diesel Oil Tax Act)

Department of Finance
[Taxation and Property Records Division](#)
Finance-Revenue Division
1st Floor, Shaw Building
PO Box 2000
Charlottetown, PE C1A 7N8
Telephone: 902-368-4070
Facsimile: 902-368-6164

Or any of the respective Access PEI
Centres

Environmental Regulations Federal:

Environment and Climate Change Canada
191 Great George Street,
Charlottetown, PE C1A 4L2 Telephone:
902- 566-7038
Facsimile: 902-566-7279

Environmental Resources Provincial:

Department of Justice and Public Safety
Environmental Assessment
4th Floor, Jones Building
PO Box 2000
Charlottetown, PE C1A 7N8
Telephone: 902-368-5049 Facsimile: 902-368-5830

Employer Information:

Department of Environment, Labour and Justice
Sherwood Business Centre, 2nd Floor
PO Box 2000
Charlottetown, PE C1A 7N8
Telephone: 902-368-5550; 1-800-333-4362
Facsimile: 902-368-5476

Skills PEI
Atlantic Technology Centre
176 Great George Street,
Charlottetown, PE C1A 4K9
Telephone: 902-368-6290
Facsimile: 902-368-6625
(Regional offices listed under section 8)

Workers Compensation Board
14 Weymouth Street
PO Box 757
Charlottetown, PE C1A 7L7
Telephone: 902-368-5680; 1-800-237-5049
Facsimile: 902-368-5696

Service Canada
191 Great George Street.
PO Box 8000
Charlottetown, PE C1A 8K1
Telephone: 1-800-622-6232
(Regional offices listed under
section 8)

Inspection: (food service facilities, tourism facilities, plants and institutions)

Department of Health and Wellness
16 Garfield Street
PO Box 2000
Charlottetown, PE C1A 7N8
Telephone: 902-368-4970; 1-800-958-6400
Facsimile: 902-368-6468

Quality Tourism Services Inc.
161 Maypoint Road,
Charlottetown, PE C1E 1X6
Telephone: 902-566-3501
Facsimile: 902-566-3575

Control of food, drugs, cosmetics and medical devices:

Canadian Food Inspection Agency
690 University Avenue
Charlottetown, PE C1A 1E3
Telephone: 902-566-7290 Facsimile: 902-566-7334

BizPaL:

BizPaL is an online service that provides access to information on business permits and licences needed to establish and run a business. It is free to use, available 24/7 and provides access to integrated information from Canada, Prince Edward Island and other participating provincial, territorial and municipal governments. You can visit BizPaL at: <http://www.innovationpei.com/bizpal>

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
Telephone: 902-426-6476 Facsimile: 902-426-6530

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 complement 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, and 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.
- Harmonized sales tax (HST) 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 C1A 7L9
Telephone: 902-368-6300; 1-800-563-3734
Facsimile: 902-368-6301
business@gov.pe.ca
www.innovationpei.com

Canada Business

3rd Floor, Royal Bank Building
100 Sydney Street
Charlottetown, PE C1A 4L2
Telephone: 902-368-0771; 1-888-576-4444
www.canadabusiness.ca

Atlantic Canada Opportunities Agency (ACOA)

Royal Bank Building, 3rd floor
100 Sydney Street, PO Box 40
Charlottetown, PE C1A 7K2
Telephone: 1-800 871-2596; 902-566-7492
www.acoa-apeca.gc.ca

Access PEI: www.gov.pe.ca/accesspei

Access PEI/accès Î.-P.-É., Alberton
PO Box 39
Alberton, PE C0B 1B0
Telephone: 902- 853-8622
Facsimile: 902-853-8625

Access PEI/accès Î.-P.-É., Tignish
PO Box 450
Tignish, PE C0B 2B0
Telephone: 902- 882-7351
Facsimile: 902-882-7362

Access PEI/accès Î.-P.-É., Wellington
PO Box 58
Wellington, PE C0B 2E0
Telephone: 902- 854-7250
Facsimile: 902-854-7255

Access PEI/accès Î.-P.-É., Montague
PO Box 1500
Montague, PE C0A 1R0
Telephone: 902- 838-0600
Facsimile: 902-838-0610

Access PEI/accès Î.-P.-É., O'Leary PO
Box 8
O'Leary, PE C0B 1V0
Telephone: 902- 859-8800 Facsimile:
902-859-8709

Access PEI/accès Î.-P.-É., Summerside
120 Heather Moyse Drive
Summerside, PE C1N 5L2 Telephone:
902- 888-8000 Facsimile:
902-888-8023

Access PEI/accès Î.-P.-É., Souris
PO Box 550
Souris, PE C0A 2B0
Telephone: 902- 687-7000 Facsimile:
902-687-7091

Skills PEI: www.SkillsPEI.com

Charlottetown

Atlantic Technology Centre
176 Great George Street, Suite 212
Charlottetown, PE C1A 4K9
Telephone: 902-368-6290
Facsimile: 902-368-6340

Summerside

Access PEI/accès Î.-P.-É., Summerside
120 Heather Moyse Drive
Summerside, PE C1N 5L2
Telephone: 902- 438-4151
Facsimile: 902-438-4096

O'Leary

Future Tech West
454 Main Street
Telephone: 902-859-8898 Facsimile:
902-859-8895

Montague

541 Main Street
Telephone: 902-838-0674 Facsimile:
902-838-8090

Service Canada: www.ServiceCanada.gc.ca

Charlottetown Service Canada Centre

191 Great George Street
Charlottetown, PE C1A 4L2
Telephone: 1-800-622-6232

Montague Service Canada Centre

491 Main Street
Montague, PE COA1R0

Summerside Service Canada Centre

294 Church Street
Summerside, PE C1N 0C1

Souris Service Canada Centre

173 Main Street
Souris, PE COA2B0

Wellington Outreach Services

48 Mill Road
Wellington, PE COB2E0
Telephone: 1-800-622-6232

O'Leary Service Canada Centre

371 Main Street
O'Leary, PE COB1V0

Development Corporations:

Community Business Development Corporation

(CBDC) —Central PEI
11 Water Street
Summerside, PE C1N 1A2
Telephone: 902-888-3793
www.cbdc.ca

CBDC—West Prince Ventures

455 Main Street
Alberton, PE COB 1B0
Telephone: 902-853-3636

CBDC—PEI East

540 Main Street
Montague, PE COA 1R0
Telephone: 902-838-4030

Active Communities Inc.

540 Main Street, PO Box 758
Montague, PE COA 1R0
Telephone: 1-800-953-4030; 902-838-4030
Facsimile: 902-838-4031

Summerside Regional Development Corporation

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

Charlottetown Area Development Corporation

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

Resources West

455 Main Street, PO Box 220
Alberton, PE COB 1B0
Telephone: 902-853-4555
www.resourceswest.pe.ca

Central Development Corporation

PO Box 3981
Central Bedeque, PE COB 1G0
Telephone: 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.) COB 2E0
Tél. : 902-854-3439
www.sdbaiepe.ca