



# New Business Checklist



**Innovation PEI**

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[innovation@gov.pe.ca](mailto:innovation@gov.pe.ca)

[www.princeedwardisland.ca](http://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/](http://www.socan.ca/)

Apply offline: [licence@socan.ca](mailto: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](mailto:business@gov.pe.ca)  
[www.innovationpei.com](http://www.innovationpei.com)

### **Canada Business**

3<sup>rd</sup> Floor, Royal Bank Building  
100 Sydney Street  
Charlottetown, PE C1A 4L2  
Telephone: 902-368-0771; 1-888-576-4444  
[www.canadabusiness.ca](http://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](http://www.acoa-apeca.gc.ca)

**Access PEI:** [www.gov.pe.ca/accesspei](http://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](http://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](http://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](http://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](http://www.summersidewaterfront.com)

**Charlottetown Area Development Corporation**

4 Pownal Street, PO Box 786  
Charlottetown, PE C1A 7L9  
Telephone: 902- 892-5341  
[www.cadcpei.com](http://www.cadcpei.com)

**Resources West**

455 Main Street, PO Box 220  
Alberton, PE COB 1B0  
Telephone: 902-853-4555  
[www.resourceswest.pe.ca](http://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](http://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](http://www.sdbaiepe.ca)