



Small Business Startup Checklist



Starting a business is a journey that takes thought, planning and effort. There are many steps to consider. If you think becoming a business owner is right for you this checklist can help get you started.



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CDEA conseil de
développement
économique
de l'Alberta



STEP 1

FIND A GOOD BUSINESS IDEA

A good business is more than just making money. It needs to fit your personality and lifestyle. Owning a business will be a big part of your life. It is important to know yourself and your product or service.

KNOW YOURSELF

My strengths and weaknesses are:

STRENGTHS:

WEAKNESSES:

Why do I want to start a business?

What is my passion?

How do I measure success?

KNOW YOUR PRODUCT OR SERVICE

Describe your product or service:

How does it solve a problem or fill a gap?

Why will people buy my product or use my service?



DID YOU KNOW?

Most entrepreneurs work more than 60 hours a week and often don't take vacations.

STEP 2

TEST YOUR IDEA AND TARGET MARKET

DESCRIBE YOUR INDUSTRY

Who are you selling to?

Describe your ideal customer:

Describe your service area:

Who are the competitors in your service area?

Briefly explain the price of your product or service. How does this compare to your competitors?

Survey potential customers and ask if they would pay the price you have set for your product or service

DID YOU KNOW?

Find information about funding, startup advice, training and market research, and access the knowledge and tools you need to plan and grow your business.



STEP 3

DEVELOP A BUSINESS PLAN AND CASHFLOW STATEMENT

You need to provide a business plan with projected cash flow when seeking financing for a business startup. These are essential documents that will guide your business decisions and measure the likely success of your business. There are many templates available online and through business development organizations.

A business plan includes the following:

- Cover page with business name and contact information
- Business objective and summary of the plan (Executive Summary)
- Business location and facilities
- Product and service information
- Management and staffing details
- Industry overview
- Marketing strategy
- Financial plan and cash flow

DID YOU KNOW?

Community Futures offers free assistance with business planning and cash flow projecting.



Contact one of our offices today
www.communityfuturesbc.ca

STEP 4

FINANCE YOUR OWN BUSINESS

Decide where you will get the money to start your business. You may have personal savings or you may need a loan. Most business startups need some financial help.

Sources of small business financing include:

- Community Futures
- Local Banks and Credit Unions
- Business Development Bank of Canada
- Futurpreneur
- Alberta Women Entrepreneurs
- First People Economic Corporation
- Private Investors (family or friends)

DID YOU KNOW?

There are programs for Entrepreneurs with Disabilities or Health Conditions in BC.



www.communityfuturesbc.ca

STEP 5

REGISTER THE BUSINESS NAME, GET PERMITS AND LICENSES

DECIDE ON A BUSINESS STRUCTURE

Decide on the most appropriate business structure for your business:

- Sole proprietor (The business is owned and run by one person)
- Partnership (The business is owned by two or more people)
- Incorporation (The business is owned by a company or a group of people that act as a single legal entity separate from its owners)
- Co-operative (A business model to organize people, things, and processes into a legal entity)

RESERVE AND REGISTER YOUR BUSINESS NAME

Companies Office

Business names, other than your own first and last name, must be reserved and registered with the Companies Office as follows:

Step 1: Choose a business name. Although there are few restrictions on a business name, you should choose your name carefully.

Step 2: Get a Business Name Report. This step is recommended, but not mandatory.

Step 3: Fill out the forms

Step 4: Take your Alberta registration information to a service provider

OPEN YOUR BUSINESS BANK ACCOUNT

Visit your local financial institution to open a business bank account. You will have to provide:

- Your Business Number (BN)
- A copy of your business registration
- Documentation, and partnership agreement if applicable

APPLY FOR A BUSINESS LICENSE AND/OR PERMIT

Contact your local municipal office for the required document applications.



DID YOU KNOW?

When you register your business name you will receive your business number

STEP 6

OPEN TAX ACCOUNTS AND PURCHASE INSURANCE

If your product or service is taxable, you need to collect sales tax from your customers on behalf of the Government, you must open a separate tax account at your financial institution and deposit the taxes as they are collected.

Reporting and paying tax means filing a tax return and paying the government the tax you charged on your sales and PST you owe on the purchases you made to run your business. For more information on PST reporting please visit: www2.gov.bc.ca/gov/content/taxes/sales-taxes/pst/report-pay

SEVERAL BUSINESS TAXES APPLY

Federal Tax

GST–The Good and Services Tax (GST) is a tax that applies to most supplies and services in Canada.
www.canada.ca

Local Business Taxes

Local taxes may apply. Contact the municipality where you plan to open your business.

Corporate Tax

Corporate tax may apply.

Sole Proprietor:

If you are a sole proprietor, you may have to pay your tax in installments. You may also need to make installment payments for Canada Pension Plan (CPP) contributions on your own income.

www.canada.ca

TAX RECORDS

You are required by law to keep records of all transactions to support your income and expenses. All documents must be kept for seven years.

PURCHASE INSURANCE

In addition to insuring your property and business assets, consider other forms of insurance such as liability, disability, business interruption, errors and omissions, inventory, bonding and renters insurance.

Contact your insurance broker.



DID YOU KNOW?

Taxes you collect from the customers belong to the government and must be paid back.

Open a separate tax bank account for this purpose.