

# 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 you get started.

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Canada



Community Futures  
[www.cfsask.ca](http://www.cfsask.ca)

# 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

My product or service is:

How does it solve a problem or fill a gap?

Why will people buy my product or use my service?



#### DID YOU KNOW?

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

### DESCRIBE YOUR MARKET

Who am I selling to? My ideal customer is:

Who are the competitors in my service area?

My service area is (list locations):

The price of my product or service is (briefly explain):  
How does this compare to my competitors' prices?

Survey potential customers by asking:

- What price would you pay for my product or service?
- In which stores would you expect to find my product?
- How far would you travel for my services?

### DID YOU KNOW?



Learn about your customers, competitors and industry with Square One's research and advising services.

[www.squareonesask.ca](http://www.squareonesask.ca)

# STEP 3

## DEVELOP A BUSINESS PLAN AND CASH FLOW STATEMENT

You need to provide a business plan with a 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 your local office.

# STEP 4

## FINANCE YOUR 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
- Women Entrepreneurs of Saskatchewan (WESK)
- Clarence Campeau Development Fund
- Saskatchewan Indian Equity Foundation Inc. (SIEF)
- Private Investors (family or friends)

### DID YOU KNOW?



Most entrepreneurs need to secure their own financing.

There are rarely grants available.



# STEP 5

## REGISTER THE BUSINESS NAME, GET PERMITS AND LICENCES

Decide 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.)
- Cooperative (The business model is used to organize people, things, and processes into a legal entity.)

### RESERVE AND REGISTER YOUR BUSINESS NAME

**Information Services Corporation (ISC)**

[www.isc.ca](http://www.isc.ca)

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

**Step 1: Business name reservation** (There are fees associated with this process.)

Submit a "Request for Business Name Reservation" for approval online or in person.

**Step 2: Business name registration** (There are additional fees associated with this process.)

Register the business with your chosen business structure using the name that was approved.

Once your business is registered, you will receive a 9-digit federal Business Number (BN).

### OPEN A 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 LICENCE, OBTAIN A PERMIT, AND CHECK ZONING REQUIREMENTS.

Contact your local municipal office and visit [www.bizpal.ca](http://www.bizpal.ca).

#### DID YOU KNOW?



To receive business name renewal notifications, update the Corporate Registry of any changes to your contact information.

# 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 should consider opening a separate tax account at your financial institution and deposit the taxes as they are collected.

The sales tax is remitted to the government on a regular schedule.

### Sole Proprietor:

If you are a sole proprietor, you may have to pay your tax by installments. Installment payments may also be required for your Canada Pension Plan (CPP) contributions on your own income.

[www.canada.ca](http://www.canada.ca)

### SEVERAL BUSINESS TAXES APPLY:

#### Provincial Tax

The Provincial Sales Tax (PST) applies to taxable goods and services consumed or used in Saskatchewan.

[www.saskatchewan.ca](http://www.saskatchewan.ca)

### TAX RECORDS

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

#### Federal Tax

The Goods and Services Tax (GST) applies to most supplies and services in Canada.

[www.canada.ca](http://www.canada.ca)

### 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, and bonding.

Contact your insurance broker.

#### Local Business Taxes

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

#### Business Incentives and Tax Credits

Check to see if your business qualifies for a business incentive or tax credit.

[www.saskatchewan.ca](http://www.saskatchewan.ca)

### DID YOU KNOW?



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

It's a good idea to open a separate bank account for this purpose.

# STEP 7

## SET UP YOUR BUSINESS LOCATION

Check zoning requirements with your local municipality.

You may need to operate your business in a commercially zoned area.

### DID YOU KNOW?



You may be able to negotiate rental terms on a lease agreement.

Some businesses need retail space while others may be home based or solely online. Consider these steps if you are leasing retail space:

1. Determine the amount of rent your business can afford.
2. Understand the lease language and terms (length of rent term, rent increases, etc.).
3. Get a clear understanding of repair and maintenance obligations.
4. Ask a lawyer to review your contract.
5. Submit a Letter of Intent.
6. Sign your agreement and pay your deposit.
7. Purchase insurance (property, contents, liability).
8. Move in.

# STEP 8

## BUILD A TEAM OF BUSINESS EXPERTS

### YOUR TEAM WILL INCLUDE:

- Bookkeeper
- Accountant
- Lawyer
- Insurance broker
- Business advisor

### DID YOU KNOW?



The Better Business Bureau lists accredited professionals.

[www.bbb.org](http://www.bbb.org)

# STEP 9

## HIRE EMPLOYEES

### EMPLOYMENT STANDARDS

Ensure you know your requirements as an employer. Employers must provide a safe and healthy work environment for employees.

#### Employment Standards

[www.saskatchewan.ca/business/employment-standards](http://www.saskatchewan.ca/business/employment-standards)

#### WorkSafe Saskatchewan

[www.worksafesask.ca/](http://www.worksafesask.ca/)

### REMIT PAYROLL DEDUCTIONS

Employers are responsible for:

- Deducting, on behalf of Canada Revenue Agency: Canada Pension Plan (CPP) contributions; Employment Insurance (EI) premiums; and Income Tax from employee salaries, wages, or any other type of income.
- Contributing an employer's portion of CPP and EI for all of their employees.

Visit the Canada Revenue Agency (CRA) website to set up a Payroll Program Account with your Business Number to remit these deductions monthly.

[www.canada.ca](http://www.canada.ca)

### REGISTER WITH THE WORKERS COMPENSATION BOARD

Workers Compensation is an injury and disability insurance for workers and employers. It is paid by employers. You must register for Workers Compensation from the moment you have your first employee, whether you are paying wages or not. Self-employed individuals can also get personal coverage.

[www.wcbask.com](http://www.wcbask.com)

#### DID YOU KNOW?



You will need your 9-digit business number to open your Payroll Program Account.

# STEP 10

## KEEP LEARNING, STAY INFORMED, AND BUILD YOUR BUSINESS NETWORK

Plan to stay up to date with industry developments:

- Attend business seminars, webinars, and workshops.
- Follow social media pages and join e-newsletters.
- Join your local Chamber of Commerce or Business Association to network with other business owners.

#### DID YOU KNOW?



Community Futures is here for your business journey from start to finish. Our door is always open. Ask us about free business resources.

[www.cfsask.ca](http://www.cfsask.ca)