



# PHYSIOTHERAPY CLINIC START- UP IN ATLANTIC CANADA

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## 1. INTRODUCTION

This resource is a compilation of information on starting a new business. It is meant to save you the time of having to do the research to collect this information yourself—it's all here for you in one place. We hope it helps you in your deliberations about whether or not to open your own business.

However, the contents of this document are for your consideration but are not to be relied upon. We take no responsibility for the accuracy of the contents. The only advice we can legitimately give you on starting a business is:

1. Hire a lawyer to give you legal advice on how to structure your business
2. Hire a financial advisor or accountant to give you financial advice on your business start-up and financing
3. Take an accounting course for business owners (not necessarily one for accountants) so that you will understand the financial side of your operations, You do not have to become a book keeper but you should be able to tell how healthy your finances are at any given point in time.
4. Buy a copy of the Sammons Preston Ability One “ Facility Planning Guide” book for \$15.95 at [www.sammonspreston.com/Supply/Product.asp?Leaf\\_Id=920023#](http://www.sammonspreston.com/Supply/Product.asp?Leaf_Id=920023#) . We are not recommending Sammons Preston over other suppliers, and other suppliers may have a similar resource book of which we are unaware, but the Sammons Preston book is a useful resource and its cost is nominal (covering just the cost of printing).

We hope this report is useful to you and we wish you every success in whatever career choices you may make!

Prince Edward Island Physiotherapy Branch (PEIPA)  
Newfoundland and Labrador Physiotherapy Association (NLPA)  
New Brunswick Physiotherapy Association (NBPA)  
Nova Scotia Canadian Physiotherapy Association (NSCPA)



Thanks to Active Physiotherapy for the use of their clinic photos.

## 2. ALTERNATIVE FORMS OF BUSINESS OWNERSHIP STRUCTURES

**Warning** - This is a summary of key points and it is provided as a starting point or introduction and we make no representations as to its accuracy.. **DO NOT RELY ON THIS INFORMATION TO MAKE LEGAL OR FINANCIAL DECISIONS.** Pay a lawyer for legal advice and a financial advisor for financial advice and then rely on their advice!

Nolo claims to be the largest publisher of self-help law books in the United States. It's website ([www.nolo.com/index.cfm](http://www.nolo.com/index.cfm)) provides the following explanation of for-profit business structures:

“ Before you can decide how you want to structure your business, you'll need to know what your options are. Here's a brief rundown on the most common ways to organize a business:

- sole proprietorship
- partnership
- limited partnership
- limited liability company (LLC)
- corporation (for-profit)
- nonprofit corporation (not-for-profit), and
- cooperative.

### **Sole Proprietorships and Partnerships**

For many new businesses, the best initial ownership structure is either a sole proprietorship or -- if more than one owner is involved -- a partnership.

#### ***Sole Proprietorships***

A sole proprietorship is a one-person business that is not registered with the state (province or federal government) like a limited liability company or corporation. You don't have to do anything special or file any papers to set up a sole proprietorship -- you create one just by going into business for yourself.

Legally, a sole proprietorship is inseparable from its owner -- the business and the owner are one and the same. This means the owner of the business reports business income and losses on his or her personal tax return and is personally liable for any business-related obligations, such as debts or court judgments.

#### ***Partnerships***

Similarly, a partnership is simply a business owned by two or more people that hasn't filed papers to become a corporation or a limited liability company. You don't have to file any paperwork to form a partnership -- the arrangement begins as soon as you start a business with another person. As in a sole proprietorship, the partnership's owners pay taxes on their shares of the business income on their personal tax returns and they are each personally liable for the entire amount of any business debts and claims.

Sole proprietorships and partnerships make sense in a business where personal liability isn't a big worry -- for example, a small service business in which you are unlikely to be sued and for which you won't be borrowing much money for inventory or other costs.”

#### **“ *Limited Partnerships***

Limited partnerships are costly and complicated to set up and run, and are not recommended for the average small business owner. Limited partnerships are usually created by one person or company (the "general partner"), who will solicit investments from others (the "limited partners").

for business debts (unless the general partner is a corporation). Limited partners have minimal control over daily business decisions or operations and, in return, they are not personally liable for business debts or claims. Consult a limited partnership expert if you're interested in creating this type of business.

**Corporations** Forming and operating a corporation is a bit more complicated and costly, but well worth the trouble for some small businesses. The main benefit of a corporation is that this structure limits the owners' personal liability for business debts and court judgments against the business.

What sets the corporation apart from all other types of businesses is that a corporation is an independent legal and tax entity, separate from the people who own, control and manage it. Because of this separate status, the owners of a corporation don't use their personal tax returns to pay tax on corporate profits -- the corporation itself pays these taxes. Owners pay personal income tax only on money they draw from the corporation in the form of salaries, bonuses, and the like.

Corporations make sense for business owners who either 1) run a risk of being sued by customers or of piling up a lot of business debts, or 2) have substantial personal assets they want to protect from business creditors.”

### **Criteria For Selection:**

How do you decide which form your business should take?

This is one of those times when money spent on professional legal and financial advice is well worth it. These professionals deal with businesses all the time and they fully understand the pros, cons and pitfalls.

### 3. BUSINESS PLANS

There are many examples of business plans on the internet. Many websites try to charge you for information that is readily available free of charge. If you search Google try "Business Plan outlines" and you will get a list of several good resource sites. The Bank of America offers the following excellent outline at: [www.odu.edu/bpa/boaectr/businessplan.htm](http://www.odu.edu/bpa/boaectr/businessplan.htm). I have added a few notes where I felt more explanation was required.

#### ***THE ODU ENTREPRENEURIAL CENTER BUSINESS PLAN HELPER***

The following business plan outline is presented to assist business people and students in developing written business descriptions and continual status reviews. If you answer the given questions, and include the sections as outlined, you will be well on your way to a useful and presentable written plan.

#### ***I. BUSINESS PLAN - OVERVIEW***

The purpose of a written business plan is twofold:

- A. It is the preferred mode of communication between businesses that need capital and those that have capital (lenders, investors, etc).
- B. It can be a useful Management Tool

The task of writing a business plan forces logic and discipline into the business.

The plan establishes concrete objectives and goals, with general parameters to guide the organization. It provides a basis for communicating the company's message:

- Internally to owners
- Internally to employees
- Externally to investors, advisors, or customers

A well written business plan is dynamic (it can change) and is:

1. An art as well as a science
2. A map of where the company is currently situated, where it plans to go , and the most effective method of reaching the stated destination.
3. Updated - This is a "Living" document
- 4.

#### ***II. KEY INITIAL QUESTIONS***

Why are you writing the business plan?

Who will be the primary reader of the plan?

What is the readers' expectation?

Who will have to agree to the objectives and goals of the plan?

What do the key people in the project want to be when they grow up?

What is the industry "system" your entity will be operating within and can you draw a picture of this industry system?

What past experience does the management team possess that indicates the future plans will succeed?

How will you separate your plan/entity from any others in the industry?

The general partner controls the limited partnership's day-to-day operations and is personally liable

or products/services unique? How will you protect your ideas?

What are the strengths of the management team individually and as a group? What are the weaknesses?

If you are planning to create a 10 million dollar product/service, has anyone on your team had any past experience in taking any concept from 0 to 10 million dollars?

What are you willing to give up to attract investors? How will the investors be protected? How will you be protected from investors?

Once you have answered these basic questions, preparing an outline, or a feasibility study, or an abbreviated plan is the next step, depending on your specific needs. All three of these options provide a quick planning overview with the major opportunities and obstacles identified. It is important at each stage of planning process to stop and review the entire project to see if it is still feasible. It is easy to lose sight of the "forest" due to the concentration on individual "trees".

### ***III. CREATE AN OUTLINE, FEASIBILITY STUDY, OR ABBREVIATED PLAN***

Most people start with the Market Analysis and the Financial Analysis to have a qualitative and quantitative foundation.

#### Purpose of the Plan

State the primary vision for the plan/entity and include a mission statement if possible.

#### Key Personnel

Most investors look at the management team for its expertise in a given business or market. Who are key personnel in your company and what unique or special prior success and skills do they bring to the team? Do you have marketing, sales, financial, technical and strategic management skills on the team?

#### Market Analysis - Characteristics, Scope

What has caused the market for your products or services to exist? How big is the market in \$ sales, population, units consumed, etc.? What are the key barriers to entry into the market? What are the important industry trends? What are the important variables in the industry distribution system?

#### Market and Sales Strategy

What specific practices will you employ in competing within your business' market? What is your comparative advantage? Will you offer more services for a premium price or fewer services for a lower price? How will your potential customers learn about your product? When will the sale actually occur - who will conduct the sale? Describe the competition (other clinics) in your area.

#### Products or Services Offered

Describe your company's products in terms of what the customer buys - not necessarily what you produce. For example: "My business provides access subscriptions to the Internet" - not, "My business connects computers to the Internet".

#### Financial Data

Include highlights of your financial data. Start with a simple monthly cash flow projection for the next 24-36 months of cash collected and spent. Any serious investor will want to know what to expect in return for any financial contribution to the company. Highlight the expectation in the summary.

#### ***IV. ORGANIZATION OF A FULL WRITTEN PLAN***

Expand on your outline, feasibility plan, or abbreviated plan from the last section. A narrative of 15-20 pages should be the maximum if you want busy people to read the body of the plan.

##### A. Table of Contents

##### B. Executive Summary - 2-3 Pages

The Executive Summary should be prepared at the completion of the body of the plan. Gather information for each of the following elements throughout the planning process. Many professionals assign certain parts of the plan to respective department leaders. However, one person should coordinate all of the information and then prepare the Executive Summary. That single coordinator provides style continuity and acts as the "glue" that keeps the plan together.

##### C. Background

If the company is very new, background descriptions can include information about the industry, the key personnel, or the unique strength of the newly formed venture.

Company Description - past and present

Distinctive Skills, Uniqueness, Protection

##### D. Market Analysis

A complete review and analysis of the market conditions, behavior, and trends is an essential part of a good marketing plan. Many new companies have indications about market conditions, but very little evidence to support the intuition. Evidence to support each of the following sections is the key to a thorough market analysis.

Industry Description, Scope and Trends Target or priority market trends, segment, niche, size, etc.  
Is this industry in the early growth or the late mature phase.

Major Customer Profile. List the most important potential and current customers. Characterize the profile by age, education, income, or by corporate profile.

Problems, Obstacles and Opportunities Don't gloss over obstacles in the business plan. Present them in their proper perspective. Make sure that legal and liability issues are clearly defined.

Market Research - General and Specific Include recent findings and important data as well as interpretation of this information. Use census data, surveys, trade associations, etc. If you are unfamiliar with the industry, talk to experts to establish benchmarks for further research.

Competition - Strengths and Weaknesses Present your competition from the perspective of the customer. What strength does the marketplace view the competition as having?

##### E. Market Strategy

A good market strategy is dynamic and your plan should include contingencies for change. Include the following in your strategy:

- Specific growth strategy for at least 3-5 years
- Distribution system
- Advertising - Institutional and Product Specific
- Specific Sales Strategies - personnel, compensation, sales calls, closing ratios, average sales/communications

### Predominant Sales Techniques.

Describe the methods your company will use in its sales strategies. Will you be telemarketing, making direct sales presentations, using a distributor or sales agent, etc.?

### F. Product and/or Services - Specific

Include a description of what jobs or problems your product or service eliminates for the customer. Pictures and illustrations are helpful.

**Benefits - Customer Needs Satisfied** Show evidence of the need as well as the satisfaction.  
**Present Stage - Idea, Prototype, Small Sales, etc.** If your product is not market ready, show steps necessary to take it from its current status.

**Life Cycle** How long will your product or service be suitable for the market?

**Intellectual Property - Patents, Trade Secrets, Copyrights, Trademarks, etc.** Any properties owned or in application should be included. Describe the unique marketability of the intellectual property for the business.

### G. Operations

Operational plans should describe how the product or service will be produced. If unique abilities are a key part of the product - their production should be described in detail here.

- Key Personnel - allocation of their resources, major strengths
- Production and/or service delivery - capacity techniques, cost factors, logistics, quality control, economies of scale.
- Supplies needed
- Legal Structure
- Stockholders, Board of Directors
- Organization Chart
- Future Human Resource Requirements

### H. Financial - 5-10 pages, including assumptions

The financial description of the plan should present a fiscal picture of the market strategy and operational plans. Include complete assumptions for every category. Effective assumption should not be your own opinion unless you are a recognized expert.

- Funding Requirements - amount, type, term, etc.
- Use of Funds
- Pay-out to investors - timing, return on investment, exit strategy for investors
- Past and Present Financials - 3 years · Cash flow · Profit and Loss Statement · Balance Sheet
- Future Projections - 3 years · Cash flow, 1st and 2nd years should be monthly · P&L · Balance Sheet
- Explanation and documentation or source of assumptions in projections

### I. Appendices - usually 20-30 additional pages maximum

Use the appendices for the following extra information, making reference to them in the body of the plan.

- Key Managers Resumes
- Pictures
- Professional Reference (Letters of recommendation)
- Published information
- Contracts and Agreements
- Media, Articles

## 4. OTHER THINGS YOU SHOULD KNOW

### ***Government Regulations:***

There are many laws and regulations which you must follow. They are either municipal, provincial or federal, and not knowing the law is no excuse for not following it. The onus is on you to learn what you have to know to be in business. Many of the federal laws and regulations are touched on in the Government of Newfoundland and Labrador's "Business Start-Up Info Guide" brochure which is included in Appendix 7. You should also call your local municipality and your local Chamber of Commerce to ask for their assistance in explaining your local and provincial rules.

### ***Labour Standards:***

Every province have rules regarding the minimum hourly wages to be paid, overtime and paid holidays. These rules protect employees from unethical employers but as an employer you can inadvertently make mistakes on pay that put you in jeopardy of violating the law. You should familiarize yourself with the employment rules in your province.

NS - [www.gov.ns.ca/enla/employmentworkplaces](http://www.gov.ns.ca/enla/employmentworkplaces)

NB - [www.gnb.ca/0308/0001e.htm](http://www.gnb.ca/0308/0001e.htm)

N&L - [www.hrle.gov.nl.ca/lra](http://www.hrle.gov.nl.ca/lra)

PEI - [www.gov.pe.ca/cca/index.php3?number=1004723&lang=E](http://www.gov.pe.ca/cca/index.php3?number=1004723&lang=E)

### ***Safety Regulations:***

In some provinces the department responsible for employment and labour standards is also responsible for workplace safety. In other provinces the workers' compensation agency is responsible for it. It is your responsibility to know the workplace safety rules for your province and industry.

### ***Payroll deductions, Remittances, Fines and Penalties, T4s and T4 Summaries:***

The CCRA website provides information on how much income tax you need to deduct from employees' payroll cheques. You also have to deduct Canada Pension Plan (CPP) and Employment Insurance (EI) premiums. These need to be remitted to the government monthly along with your employer's share of CPP and EI. You also need to issue annual T4s for each year's earnings before February 28th of the next year. You also must submit to the federal government copies of all T4s and a T4 Summary document. See the CCRA website for details and forms.

### ***What is a Chamber of Commerce or Board of Trade?***

Chambers of Commerce and Boards of Trade are the same thing with different names. They are member-based associations of business owners and/or managers. There is an annual membership fee and the Executives are voted in. They are a good source of information and usually are consulted by government regularly for their opinions on business issues.

### ***Computer Programs for Scheduling Appointments and Billing:***

There are several programs available. Those for dental clinics will be closest to your needs as they bill third parties, etc which doctors' offices do not do and so dental systems are better than doctors' systems for physiotherapy clinic purposes. Ask other clinic owners in other cities (non-competitors) which systems they recommend.

***Setting your Client Treatment Rates: Blue Cross, WCB:***

When setting treatment rates you must cover your costs and consider what your competitors are charging. You must also consider what Blue Cross, WCB and other third party payers will pay and decide whether you can afford to, or afford not to, take these clients. You may want to accept only payments from clients themselves and then let the clients bill their own insurers. This is simpler for you but it will also lower the number of clients with insurance who frequent your clinic. These are tough decisions to make and there are no “right” answers.

***Accounting Programs:***

You will need an in-house accounting system. They vary in complexity and cost. I personally use and recommend ACCPAC Simply Accounting (it used to be called Bedford Accounting). Other good programs are MYOB (Mind Your Own Business) and Quicken. However, any program that you or your staff can use and understand will suffice. You may want to ask your accountant which program he or she prefers you to use in order to keep the costs for your year end statements lower.

***What is a Fiscal Year?***

A fiscal year is your business’s 12 month year. It doesn’t have to be a calendar year but it could be. Your fiscal year end can be at any point in the calendar year but businesses usually choose a month end, as this makes it neater and it helps with reconciling bank statements, etc.

If you decide to incorporate your business then you need to ask your accountant for advice on when your fiscal year end should be before you let your lawyer finalize the incorporation papers, as there may be some tax advantages to having it in the second half of the calendar year.

**APPENDIX 1**  
**TYPES OF SECURITIES FOR WHICH LENDERS MAY ASK**

## **Types of Securities For Which Lenders May Ask**

The federal government website called “On-line Small Business Workshop” at “ [www.cbsc.org/servlet/ContentServer?cid=1102940229186&pagename=OSBW%2FCBSC\\_WebPage%2FCBSC\\_WebPage\\_Temp&c=CBSC\\_WebPage](http://www.cbsc.org/servlet/ContentServer?cid=1102940229186&pagename=OSBW%2FCBSC_WebPage%2FCBSC_WebPage_Temp&c=CBSC_WebPage)” gives the following quick explanations of loan securities:

### ***“Types of Loan Security Agreements***

#### **Promissory Note**

A promissory note is a written promise to pay a specified sum of money to the lender either on demand or on a specified date.

#### **Realty Mortgage**

The realty mortgage is a loan (mortgage) whose proceeds are applied to the purchase or re-finance of land and buildings. A charge against the title is registered with the Province.

#### **Chattel Mortgage**

The chattel mortgage is a mortgage on specific assets other than land and buildings. A lien charge against the title is registered with the Province.

#### **Pledge**

The pledge is an agreement similar to the chattel mortgage, except in that possession is transferred to the lender but title remains with the borrower, e.g., your stocks and bonds held by the bank.

#### **Floating Charge/ Debenture**

The floating charge is an agreement which designates that all the remaining assets in the business, not already mortgaged as security for other debts, will be taken as the security for the new debt. The title remains with you but the debenture is registered with the Province.

#### **Personal Guarantee**

This agreement says you will agree that if the limited company is unable to repay the loan, you will do so personally. If this is in addition to other securities, you would be wise to try to negotiate a limited guarantee to cover the shortfall in the security for the loan. Try also to recover your personal guarantee as soon as the business has paid off its obligation or can carry the debt on its own security. That personal guarantee places those things you and your family hold dear at risk for the debts of the business.

#### **Postponement of a Claim**

The Postponement of a Claim allows the lender to ask for assurance that the company will not repay the shareholders until the secured lenders have been repaid in full.”

**APPENDIX 2**  
**HOW IS MY BUSINESS DOING? IMPORTANT RATIOS.**

### How is My Business Doing? Important Ratios.

When you receive the financial statements for your company you need to know what the numbers mean in terms of the short term and long term “health” of your company. Even if you are just thinking of starting a business, you need to know what you will define as “success”. Success can not be simply earning \$200,000 in sales as you could still be losing money on every dollar of sales (it costs you more than \$1 to earn \$1 in sales). It can not be simply being able to pay all your bills when they come due, because you may be able to do this for some time and still be losing money. Lastly, it can not be simply making a profit because you can make huge profits but if you have accounts receivables (from third party payers, for example) that take 45 days to receive the money from and your staff need to be paid every 14 days then you will not be able to meet your payroll obligations when they come due and your business will fold. So how do you define success and how do you know on an on-going basis if your business is healthy?

The answer is you use ratios to find out. Several ratios are explained below but there are others. You can find a list of ratios on-line (search Google) or most accountants and lenders can provide you with a list.

1. **Current or working capital ratio:** Calculate it by dividing the total Current assets by the total current liabilities  
This measures the company’s ability to meet its current debts (solvency). A high or rising ratio indicates that more of the company’s current assets are free from the debt claim of creditors and bills should be able to be paid more promptly. If the ratio is low or trending downwards this is a red light for the business owner of potential future difficulties.
2. **Net profit to Sales:** Calculate it by dividing your after tax profit by your total sales x 100.  
This percentage measures the company’s profit ability in relations to sales. A decreasing ratio may indicate the business may be sacrificing profits to increased sales. Or the business may not be efficiently controlling costs or the prices are too low given the costs you are incurring.
3. **Debt to equity:** Calculate this ratio by dividing the after tax profit by the company’s net worth minus any intangible assets (such as good will). This is a measure of the total claims of all creditors in relation to your ownership capital. A low ratio indicates a large cushion against future expenses or debts. Lenders may become alarmed when debt more than triples net worth (this can be the case with a new business which owns a building but has a large mortgage for example).
4. **Sales Growth:** Calculate this percentage by dividing this year’s sales increase by last year’s sales x 100. This is a measure of the percentage growth of sales from one year to the next. Sales should increase, at the very minimum, at the pace of inflation.
5. **Labour Costs:** Calculating this percentage allows you to analyse where your costs are coming from and control them. Calculate this percentage by dividing your total wages plus cost of benefits by your total sales. Compare this percentage to the average for your industry and to your budget and to your past years. Actual wages may increase from year to year but your percentage labour costs should not.
6. **Inventory to sales:** Calculate this by dividing your total supply inventory by your total sales x 100. This percentage tells you the amount of funds you have committed to inventory in order to produce sales. The price of supplies may increase but the percentage of supply inventory to sales should not. If it does it means either you too much inventory on hand or you have declining sales. Neither scenarios are good.

**APPENDIX 3**  
**FINANCING MY BUSINESS - “WHY CAN’T I GET A LOAN?”**

## Financing my Business or “Why Can’t I Get a Loan?”

It is almost impossible for a new small business to get approved for a business loan. Banks will not tell you this. They tend to tell you to apply and then they will turn you down. It helps to know why the banks turn down new businesses. It’s due to the Six C’s of Credit.

The Six C’s of Credit are:

- Character
- Capacity
- Capital
- Collateral
- Compliance

These attributes are applied to every lending situation and impact the lending decision that is made. The explanation of each attribute follows. They are described from the bank’s or lender’s point of view. Whenever you deal with a potential lender, or when you are developing your business plan, you need to look at your information from the perspective of the six “C’s” of credit if you want to be successful in obtaining financing in the future.

### *Character*

Character relates to integrity, honesty, ability to handle stress and the sense of responsibility of the applicant. In the case of a company this would relate to the attributes of the overall management capability of its people. Past performance and reputation in the community and the industry are good indicators for both personal and company evaluations.

Character is by far the most important attribute and must be assessed accurately. All character flaws as well as strengths should not be ignored. All the collateral in the world will not make a sound loan proposal when serious character flaws exist. Receivers and trustees in bankruptcy state that well over 75% of business failures can be directly attributed to inadequate management.

### *Capacity*

This relates to the ability to repay the loan. There should be two sources of repayment. The primary source of repayment should be the profit from sales. Can the applicant reasonably attain the sales figures necessary to yield profits and the cash flow necessary to repay the debt, including interest? Then, if the primary source of repayment should break down, the lender must consider if a contingency plan is available (ie a secondary source of repayment). This secondary source may be generated from the sale of collateral (that is why the bank wants a personal guarantee from you and your spouse and to secure your other assets) or from the injection of further cash into the business by the owner.

### *Capital*

Capital is the amount of down payment (cash) the applicant has to put toward a specific deal. The smaller amount the capital available (the equity) the riskier the loan is for the lender. The risk can be lessened by strong character but not eliminated. The minimum amount of equity or capital required is 10%. Where risk is higher or where the applicant has more cash available then a higher percentage of capital is warranted.

## ***Collateral***

Collateral relates to the available security to protect the loan should all other efforts to salvage a bad situation fail. It is normal to take as collateral the property being acquired from the proceeds of the loan (ex—a building, the physiotherapy equipment, etc). Other common forms of security are the accounts receivables (money owed from third party payers, for example) and inventory (supplies). Secondary sources of security may include non-financed assets (equipment you own outright), personal guarantees, house, etc.. From the lenders perspective, having lots of security available does not make a bad loan proposal good as it costs time and money to collect on security.

## ***Conditions***

General economic trends are an important factor in a credit decision. For example: if you want to open a new clinic in Saint John and in the last year three existing clinics have closed due to lack of business, then the lender will not think the “conditions” are good enough to approve a loan. They might approve the exact same loan request in Moncton however, if the business climate there was better. This is one aspect of the business that is forever outside the control of the business owner. When caught in a down trend business owners are quite often helpless against the trend. Lenders know this and are nervous about approving business loans and then having them put in jeopardy by external economic conditions.

## ***Compliance***

This aspect of credit worthiness assesses the past track record of the applicant in previous borrowing situations. If there are problems here, the lender may have a senior staff person review the application to see if the loan can still be made somehow.

## **Getting Short-Term Financing in the Early Days**

If you have a track record in business, or a high net worth, then you may get credit early in your start-up phase if you have a good business plan. Otherwise you may consider buying a building instead of leasing a facility as lenders may finance an asset such as a building but will not finance “working capital” which is what leasehold expenses are... money gone forever and so not able to be used to secure the loan that was needed to pay for it originally.

Finding bank overdrafts, corporate credit cards and lines of credit for a new business can be extremely difficult. Lenders do not like this option but if you are currently employed and now considering opening a business, you can apply for credit cards in your personal name while still employed (remember you are personally liable for ALL the charges on the cards) and then use the credit cards in emergencies only during the early stages of your business. This option allows you to have short term credit for use in cash flow emergencies. (again, seek advice from a financial advisor if you are planning to start a business.)

APPENDIX 4  
PROVINCIAL CONTACTS - NOVA SCOTIA



## Nova Scotia

Each province has different programs and different resources in terms of brochures, guides and interactive website programs. It is worth checking out the resources of all provinces, and not just the one in which you hope to do business, as there is good information to be had.

### RESOURCES:

The Government of Nova Scotia website has a **Business Idea Explorer** at the following URL address: [www.gov.ns.ca/econ/nsx/](http://www.gov.ns.ca/econ/nsx/). This interactive resource is worth checking out. It gives start up information on sample business types. The closest to a physiotherapy clinic would be under “Service Business” and it is a massage therapy business. The information provided here is basic but useful when you are first considering whether or not to start a business.

The website also has a “**Building a More Competitive Business Climate**” index. “The *Nova Scotia Business Climate Index* monitors and compares Nova Scotia’s business climate nationally and in Atlantic Canada using comparable measures. It assesses general business climate levels across a number of indicators and ranks the province on each of these relative to other provinces in Canada. Data for the index is compiled primarily from Statistics Canada and is based on the most recent year available.” The URL address is: <http://www.gov.ns.ca/econ/businessclimate/>

**The information on the following pages is from the Government of Nova Scotia website (www.gov.ns.ca). It is accurate as of December, 2006.**

### LOANS:

#### “The Small Business Financing Program

Through an exclusive partnership with the provincial government and the Nova Scotia Co-operative Council, credit unions are delivering better financial assistance to establish new business, grow existing business and empower entrepreneurs with the support they need to create employment for themselves and others. The Investing in Nova Scotia Enterprises Co-operative Small Business Financing Program is a joint initiative of the Nova Scotia Co-operative Council, Credit Union Central of Nova Scotia and Nova Scotia Economic Development.

*The following are answers for frequently asked questions.*

*Who can apply for a small business loan?*

Residents of Nova Scotia who wish to start a small business and companies or co-operatives in the province who intend to grow their business.

*Where is this program available?*

This program is available exclusively through credit unions in Nova Scotia.

*How do I apply?*

Visit your local credit union to apply today.

*What will the credit union require from me?*

Your credit union will require a business plan that shows the viability of your idea. Your credit union will also require information regarding your net worth, credit history and other documents that are normally required when applying for a loan.

*Does my past credit history count?*

Credit history is an important piece of your identity. All financial institutions check credit histories when you apply for credit of any kind. The decision to grant a loan in this program will also involve other factors, so those with a less than perfect credit history are still eligible to apply.

*Will I need to give personal security or guarantees to the credit union?*

Yes. The credit union will evaluate your loan request by following regular credit lending criteria. This will include an assessment of your personal net worth. If your application does not fit normal lending criteria, but the credit union feels your business has potential for success, the credit union can apply for a loan guarantee to offset their risk. The maximum amount of the loan guarantee will be 75 per cent of the value of the loan, up to a maximum of \$150,000. The credit union will work with you in finding security for the remaining 25 per cent and a second guarantor may be required.

*How much can I borrow?*

The maximum that can be borrowed is \$150,000.

*What kind of financing does this program cover?*

The program can cover loans for working capital or lines of credit.

*What type of business is eligible?*

All types of business are eligible, except residential and commercial real estate, beverage rooms and taverns. Any venture of a questionable ethical or legal nature is ineligible. Each application is evaluated on a case by case basis and on the strength of the business plan and viability.

*What are the terms of the loan?*

The terms and conditions of the loan will be negotiated between you and your credit union. The maximum term under this program is seven years.

*What is the interest rate?*

The interest rate is negotiated between you and your credit union.

*Is there a fee to access this program?*

There is a one per cent administration fee on the total value of the loan. This one per cent is a guarantee fee that is payable by your credit union to the Provincial Department of Finance.

*Are personal loans eligible?*

No. The program only applies to business ventures.

*Are there any other requirements under this program?*

If there are any weaknesses in your business plan, the credit union may request that you have a business mentor as a condition of the loan. Our development agency, the Nova Scotia Co-operative Council, will work with you to find a suitable mentor.

*Is there support available if I need help putting my business plan and application together?*

Yes. The Nova Scotia Co-operative Council, a development agency, has a technical assistance division that can assist you with your business plan, incorporation, business analysis etc.”

## **INVESTMENT CAPITAL:**

### **“ Community Economic Development Investment Funds (CEDIF)**

What is a CEDIF?

A CEDIF is a pool of capital, formed through the sale of shares (or units), to persons within a defined community, created to operate or invest in local business. It cannot be charitable, non-taxable, or not-for-profit, and must have at least six directors elected from their defined community.

An investment fund is an entity that offers its shares or units to various investors so as to provide a cost-effective means of obtaining professional investment management services and diversified investments (investors cannot assume that a CEDIF will seek professional investment management services, nor that they will possess such expertise "in-house"). Income is earned primarily through interest, dividends and capital gains. In recent years, the growth of financial assets has skyrocketed. It is estimated that more than one-third of Canadian households now own mutual funds.

Unfortunately for Nova Scotia, these funds draw far more capital from the region than is ever re-invested locally. Statistics Canada data indicates that approximately \$600 million was contributed to RRSPs by Nova Scotia taxpayers, however, less than two per cent of that is estimated to have been re-invested in the Province. This is a problem for communities in two ways: first, it is often difficult to attract venture capital to invest away from their home location, and second, each investment dollar spent in a community circulates through the economy creating a beneficial ripple effect. Most of our investment dollars are benefiting the Ontario economy (through the TSE).

Through the facilitation of the formation of CEDIFs, we aim to increase the amount of capital reinvested in Nova Scotia to 5% by the end of the year 2010. Having local capital available for investment will reduce the size of the financing hurdle for local entrepreneurs, thereby increasing the number of projects undertaken. Further, people within these communities will start to think more as entrepreneurs and may be more comfortable establishing a commercial venture.

This program is for economic development, and the project must have a measurable, financial return. It is not meant as an alternative manner to finance projects which are more accurately described as municipal infrastructure. For example, a community may want to develop a park facility which it feels will bring benefits to the local population. While this is a worthwhile endeavour it does not produce a revenue stream and is therefore not an eligible use of funds raised through a CEDIF.

A CEDIF must develop within the community. Any individual or group can form a working group to investigate the possibility of starting a CEDIF in their community. A CEDIF need not be large at its formation. A small initial offering followed by annual, or semi-annual offerings will quickly grow to be a substantial capital pool for local investments.

## START UP INSTRUCTIONS:

You will find all you need to know about registering a new business in Nova Scotia at the following website address: [www.gov.ns.ca/snsmr/business](http://www.gov.ns.ca/snsmr/business). It is called **Service to Business**. It introduces itself as: “Service to Business is your guide to doing business in Nova Scotia. From planning to start-up to operating and more, we provide you with access to information you need to do it right. We also connect you to some essential services that can help you in achieving your goals. Currently, much of the information here is related to provincial regulations and policies. We recommend that you also check with municipal and federal government representatives on other laws, permits or requirements that may affect your business. Service to Business is continuing to update and add information and services as they become available.”

It’s content index is comprehensive and includes:

### ***“Registering a Business - Details you need to register your company.***

Did you know that most businesses in Nova Scotia must be registered with the province’s Registry of Joint Stock Companies before they can start operating? You can determine if your company should be registered, and how best to do it based on your business structure, using the resources listed below.

You’ll also find detailed information on when and how to register your business with the federal government.

- Business Structure
- Registry of Joint Stock Companies - How to Register
- Nova Scotia Business Registry - Online Entry
- Business Number
- Business Window
- Business Window Supplement

### ***Obtaining Licences & Permits—Details on provincial operating requirements.***

Once you’ve registered your business, you may need specific licences and permits to operate in Nova Scotia. The following sources will help you determine the licences and permits you require based on the services and goods you are selling and how to apply for them.

- Find a Licence or Permit for a Specific Business Type
- Nova Scotia Permits Directory
- Nova Scotia Business Registry - Online Entry

### ***Financing & Funding—Find the funding you need to launch your business.***

Looking for business start-up funding so you can buy equipment, hire employees and develop your markets? Below, you’ll find information on some of the many private and public programs, services and funds that are available to support you in Nova Scotia. You’ll also find tips and assistance on how to prepare your funding application.

- Business Development Bank
- Financing Info-Guide
- Atlantic Canada Opportunities Agency
- Nova Scotia Business Inc.
- Small Business Financing/Loan Guarantee Program

### ***Taxes—Find out about your entitlements and obligations.***

In Nova Scotia, every business must collect and pay a range of taxes, such as HST. We’ve gathered these guides and resources together to provide you with details on some of the taxes that will apply to your business. You’ll also find advice you can trust on how to properly register for, report and pay these taxes.

*Guides:*

- Taxation Info-Guide
- Canada Revenue Agency Tax Guide
- Canada Revenue Agency Business Taxes
- Excise Taxes & Excise Duties GST/HST
- GST/HST Employment
- Incentives and Taxes
- Record of Employment Property Tax
- Commercial Tax Rate
- Business Occupancy Tax Credits
- New Small Business Tax Deduction
- Equity Tax Credit
- Research and Development Tax Credit
- Nova Scotia Labour-Sponsored Venture-Capital Tax Credit
- Lower Taxes For Business
- Film Industry Tax Credits
- Canadian Film or Video Production Tax Credit

***Employing People—Know your obligations as an employer.***

Preparing to hire staff for your new business? Are you aware of your responsibilities as an employer when it comes to issues such as pensions, employment records, training, wages, overtime or maternity leave? You'll find most of the facts you need to know using the following resources. You'll also discover tools that will help you measure and improve your team's performance, and increase your sales.

*Guides:*

- Employer How-to Guide
- Employment Rights - Labour Standards in Nova Scotia
- Workers' Compensation Board Employer Registration
- HR for Employers • Employment & Training Info-Guide
- Payroll Topics
- Record of Employment
- Private Pension Plan Registration
- Measuring Sales Force Performance
- Preventing Theft
- Opening/Closing Retail Business Uniform Closing Day Act

***Occupational Health and Safety—Promote a safe and healthy work place.***

You have a responsibility as an entrepreneur to provide a safe and healthy workplace for your employees. Here are a few handy sources you can refer to for clear and detailed information on your occupational health and safety requirements.

- Employer How-to Guide
- Government OH&S Agencies in Atlantic Canada
- Occupational Health and Safety Basics Guide

***Buying a Business—What you need to know when buying a business.***

Buying a business may seem like an easy, affordable way to become an entrepreneur, but what are your obligations and liabilities, and what potential costs, sales or growth should you expect? Check out the following references for insights on the benefits, risks, legalities and questions you should ask when buying a business or franchise.

- Buying a Business
- Provincial Tax Commission

- Why acquire an existing business?
- How to Buy a Business Checklist

**Clearance Letters—Is your company in good standing?**

These tools will provide you with easy-to-understand details on clearance letters – what they are and how to request them.

Workers' Compensation Board “

**DOING IT WITHOUT THE INTERNET**

What if you do not have access to a computer, a printer and the internet? It will definitely be more time consuming to collect the forms you need and ensure they reach the correct office but it can be done. You should start by calling the government's staff at Service Nova Scotia for assistance and advice.

Toll free within Nova Scotia: 1-800-670-4357  
Outside Nova Scotia: 1-902-902-424-5200

**WHEN THIS INFORMATION BECOMES OUT-OF-DATE**

If you are reading this report at some point in the future and the Province of Nova Scotia's information has changed or is dated, please call the phone numbers listed in the section above for more up to date information.

**APPENDIX 5**  
**PROVINCIAL CONTACTS - NEW BRUNSWICK**



# New Brunswick

Each province has different programs and different resources in terms of brochures, guides and interactive website programs. It is worth checking out the resources of all provinces, and not just the one in which you hope to do business, as there is good information to be had.

## RESOURCES:

The Government of New Brunswick website has resources for businesses. The best link is: [www.enterprise-entreprise.ca](http://www.enterprise-entreprise.ca). A bilingual website it refers you to one of the 15 Enterprise Agencies in New Brunswick. They bring together information on Municipal, Provincial and Federal business regulations and programs for a “one stop shopping” approach to business start-up.

### Business Startup

For help with starting a new business...

**contact your [Enterprise Agency](#) first.** Your local Enterprise Agency is focused on helping small and medium sized business succeed. It works by building on the collaborative strengths and successes in each community and propelling them to a new level.

For help on expanding your company...

contact the [Business Development Team](#) or the [Export Development Team](#) of Business New Brunswick. Whether your business is large or small, rural or urban, Business New Brunswick provides services and resources to help you grow.

New Brunswick's business opportunities may take the form of:

### Partnerships

Partnerships are governed by provincial legislation and can be registered with provincial or territorial authorities. There are two types of partnerships: general and limited. In a general partnership, all partners are treated as a unit and are subject to unlimited liability. The partners have an equal claim on capital and profits, but they are also equally responsible for any losses, unless they agree otherwise.

A limited partnership consists of both general and limited partners. One or more general partners are responsible for managing the business. One or more limited partners contribute capital, and may work for the firm, but do not participate in its management. Unlike the general counterparts, limited partners are not exposed to unlimited liability, unless they take part in control of the business.

### Joint Ventures

A joint venture is an association of two or more business entities for the purpose of carrying on a single enterprise or specific venture. Joint ventures take several forms. They can be set up as a separate corporation, a general or limited partnership, or the partners can simply jointly own business assets. Joint ventures between Canadian and foreign companies are an excellent vehicle for combining the strengths of the participating firms, while reducing the risk of taking on new markets.

### Franchises

A franchise is a business relationship where a franchisee contracts for the right to sell proprietary products using business styles and methods developed by the franchisor. All franchises must comply with federal competition and trademark legislation as well as any provincial legislation governing

businesses generally. New Brunswick does not have specific legislation dealing with franchising. Please visit [Service New Brunswick](#) for more details and business registration forms.”

The Service New Brunswick website is: [www.snb.ca](http://www.snb.ca)

Other resources on the Government of New Brunswick website, such as the following, are more directed to expanding an existing businesses:

**“Make a Smart Decision: Grow your New Brunswick Business:**

Business New Brunswick, the government's economic development department, will work with you by providing services and resources to help you expand your existing business. Whether your business is large or small, rural or urban, we can help you make smart business decisions.

To get you growing, we offer the following...

Business Consulting Services  
Business resources/tools  
Industry contacts to serve you”

You can find these resources at: [www.gnb.ca/0398/index-e.asp](http://www.gnb.ca/0398/index-e.asp)

## **VENTURE CAPITAL (INVESTOR TAX CREDIT)**

Most provinces have these kind of programs. Check with your provincial government. The New Brunswick government’s website says:

“The New Brunswick Small Business Investor Tax Credit provides a 30 per cent non-refundable personal income tax credit of up to \$15,000 per year (for investments of up to \$50,000 per investor) to eligible investors who invest in eligible small businesses in the province.

In the event that an investor cannot use the entire Small Business Investor Tax Credit amount in a given year, the tax credit can be carried forward seven years or back three years, but may not be carried back to any year preceding the 2003 taxation year.

Objectives:

- Provide an important source of capital by increasing access to equity financing for New Brunswick small businesses.
- Encourage investment by New Brunswick residents in New Brunswick small businesses. “

For more information see: [www.gnb.ca/0162/tax/sbitc/smallbusiness.asp](http://www.gnb.ca/0162/tax/sbitc/smallbusiness.asp)

## **DOING IT WITHOUT THE INTERNET**

What if you do not have access to a computer, a printer and the internet? It will definitely be more time consuming to collect the forms you need and ensure they reach the correct office but it can be done. You should start by calling the government's staff at Service New Brunswick for assistance and advice.

Toll free within New Brunswick: 1-888-762-8600  
Outside New Brunswick: 1 (506) 684-7901

## **WHEN THIS INFORMATION BECOMES OUT-OF-DATE**

If you are reading this report at some point in the future and the Province of New Brunswick's information has changed or is dated, please call the phone numbers listed in the section above for more up to date information.

APPENDIX 6  
PROVINCIAL CONTACTS - PRINCE EDWARD ISLAND



# Prince Edward Island

Each province has different programs and different resources in terms of brochures, guides and interactive website programs. It is worth checking out the resources of all provinces, and not just the one in which you hope to do business, as there is good information to be had.

## RESOURCES:

The Government of Prince Edward Island website supports new business start up. It offers links to several relevant websites depending on the type of venture you are starting. You can find the following information on-line at: [www.gov.pe.ca/index.php3?number=81114&lang=E](http://www.gov.pe.ca/index.php3?number=81114&lang=E)

“ Prince Edward Island is an excellent business location offering a competitive business environment, state of the art infrastructure and a skilled labour force.

If you are starting, expanding, relocating your business, or investing in Island business, please visit the following websites. Whether it is general information or specific assistance, and your area of business is:

Aerospace, Food, Manufacturing, Craft & Giftware, Trade and Export or Business Park related please visit Prince Edward Island Business Development.

Information Technology, Film, Television, New Media or Bioscience related please visit Technology PEI.

If you require technical services for your food or bioresource company, these are available at PEI Food Technology Centre: new product and process development, bioresource extractions, shelf-life determination, laboratory services, in-plant or product troubleshooting, assessment of processing and packaging equipment, access to processing facilities, test market production, labeling development, HACCP support and training, applied research and development.

Loans, subject to eligibility, are available to these and other industries through the PEI Lending Agency.

Information regarding tax and land issues is available through Taxation and Property Records, Provincial Treasury.

In addition to the Agencies in Prince Edward Island we have also developed, easy to use, tools for you to find the information you need.

Our comprehensive Business Directory contains information on over 9,000 Island businesses, and is searchable by business type, name, phone and location.

Our Corporations/Business Name Registry allows you to search for information on incorporated companies, non- profit associations, business names, limited partnerships, licensed extra-provincial companies, co-operatives and licensed insurance companies registered on Prince Edward Island. For Securities dealers, visit the Securities Office.

Doing business on Prince Edward Island has never been easier ... or more rewarding!”

**LOANS:****PEI Lending Agency**

Where can I find information on loans the Lending Agency provides?

The PEI Lending Agency assists new and expanding businesses that exhibit strong growth and export potential while contributing to job and wealth creation. Loans are available to those industries involved in manufacturing and processing, tourism, agriculture, small business, fisheries and aquaculture and information technology . The PEI Lending Agency's mandate also includes financial intermediation and in some cases partnering with other private sector lenders. All applications are subject to an application fee representing the greater of \$250.00 or 1/2 of one percent of the amount of the loan proposed.

***For More Information:***

Website: [www.gov.pe.ca/pt/la-info/index.php3](http://www.gov.pe.ca/pt/la-info/index.php3)

Location: 2nd Floor, National Bank Tower, Charlottetown

Contact: Wilson, Peter (Chief Executive Officer)    Tel. 902-368-6211  
E-mail: pawilson@gov.pe.ca

**DOING IT WITHOUT THE INTERNET**

What if you do not have access to a computer, a printer and the internet? It will definitely be more time consuming to collect the forms you need and ensure they reach the correct office but it can be done. You should start by calling the government's staff at PEI Business Development for assistance and advice.

Toll free within PEI: (902) 368-6300

Outside PEI: 1-800-563-3734

**WHEN THIS INFORMATION BECOMES OUT-OF-DATE**

If you are reading this report at some point in the future and the Province of PEI's information has changed or is dated , please call the phone numbers listed in the section above for more up to date information

APPENDIX 7  
PROVINCIAL CONTACTS - NEWFOUNDLAND



# Newfoundland

Each province has different programs and different resources in terms of brochures, guides and interactive website programs. It is worth checking out the resources of all provinces, and not just the one in which you hope to do business, as there is good information to be had.

## RESOURCES:

Memorial University Library's website has an excellent list of links to economic development websites. You can find this at: [www.library.mun.ca/qeii/cns/econdev.php](http://www.library.mun.ca/qeii/cns/econdev.php). Their list of links includes: *Newfoundland and Labrador Web Sites by Subject : Economic Development*

Argentia Area Chamber of Commerce  
 Argentia Management Authority  
 Atlantic Canada Opportunities Agency  
 Business Portal Web Site (Newfoundland)  
 Downtown Development Commission  
 Gander and Area Chamber of Commerce  
 Innovation Strategy (2006)  
 Labrador North Chamber of Commerce  
 Newfoundland and Labrador Association of Community Business Development Corporations  
 Newfoundland and Labrador Organization for Women Entrepreneurs  
 Newfoundland. Dept. of Innovation, Trade and Rural Development  
 Newfoundland-Labrador Federation of Co-operatives  
 Northeast Avalon Community Futures Development Corporation Inc.  
 Nortip Development Corporation  
 Port au Port Economic Development Association  
 St. John's Board of Trade  
 St. John's. Economic Development  
 Trinity-Conception Community Development Corporation  
 Regional Economic Development Boards  
 Zone 1 - Inukshuk Development Board  
 Zone 2 - Hyron Regional Economic Development Board Inc.  
 Zone 3 - Central Labrador Economic Development Board Inc.  
 Zone 4 - Southeastern Aurora Development Corporation  
 Zone 5 - Labrador Straits  
 Zone 6 - Nordic Economic Development Corporation  
 Zone 7 - Red Ochre Regional Board  
 Zone 8 - Humber Economic Development Board  
 Zone 9 - Long Range Regional Economic Board  
 Zone 10 - South Western Marine and Mountain Zone Corporation  
 Zone 11 - Emerald Zone  
 Zone 12 - Exploits Valley Economic Development Corporation  
 Zone 13 - Coast of Bays Corporation  
 Zone 14 - Kittiwake Economic Development Corporation  
 Zone 15 - Discovery Regional Development Board  
 Zone 16 - Schooner Regional Development Corporation  
 Zone 17 - Baccalieu Board of Economic Development  
 Zone 18 - Avalon Gateway  
 Zone 19 - Capital Coast Development Alliance  
 Zone 20 - Irish Loop Regional Economic Development Board  
 See related headings: Business, Economy

The Government of Newfoundland and Labrador's Department of Innovation, Trade and Rural Development (INTRD) has some resources for small business but with a focus on expanding existing businesses. Their URL address is: [www.intrd.gov.nl.ca/intrd/aboutdept.htm](http://www.intrd.gov.nl.ca/intrd/aboutdept.htm).

A joint provincial/federal undertaking is the Business Service Network. It's website address is cumbersome, but here it is:

[www.cbsc.org/servlet/ContentServer?pagename=CBSC\\_NL/CBSC\\_WebPage/CBSC\\_SplashPage\\_Temp&cid=1101212326643&lang=eng&c=CBSC\\_WebPage&](http://www.cbsc.org/servlet/ContentServer?pagename=CBSC_NL/CBSC_WebPage/CBSC_SplashPage_Temp&cid=1101212326643&lang=eng&c=CBSC_WebPage&)

It is worth looking at (even with the long URL address) as it has excellent information and it is bilingual. **The Guides have hyperlinks to more information so you may want to read them on-line at the above site .** The following is an excerpt from the website:



Canada/Newfoundland and Labrador  
Business Service Network  
Your Best Source for Business Information  
1-800-668-1010

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“Whether you are starting, expanding or operating a business, the Business Service Network can provide you with the business and economic information you are looking for

Use our convenient E-Services:

- Books By Mail
- Programs and Services
- Events Calendar
- How-To Guides
- Interactive Business Planner
- Online Small Business Workshop
- Search Library Catalog
- Sector Studies Inventory
- Statistics for Business Planning”

The How to Guides link gives you access to a guide on “Business Start Up” and one on “Financing Info”. The guide on “Business Start Up” follows: **(The Guides have hyperlinks to more information so you may want to read them on-line at the above site .)**

## “Business Start-Up Info-Guide

Last Verified: 2006-04-06

This Info-Guide is designed to inform prospective entrepreneurs about regulations regarding the start-up of a new business in Newfoundland and Labrador. The focus is on regulations that apply to all businesses; however, you can obtain additional information on specific business sectors or industries by contacting the Canada/Newfoundland and Labrador Business Service Centre (CNLBSC) or our Network Sites ([http://www.cbsc.org/servlet/ContentServer?cid=1112354363952&pagename=CBSC\\_NL%2FCBSC\\_WebPage%2FCBSC\\_WebPage\\_Temp&lang=en&c=CBSC\\_WebPage](http://www.cbsc.org/servlet/ContentServer?cid=1112354363952&pagename=CBSC_NL%2FCBSC_WebPage%2FCBSC_WebPage_Temp&lang=en&c=CBSC_WebPage)) nearest you.

Canada/Newfoundland and Labrador Business Service Centre  
 90 O'Leary Avenue  
 P.O. Box 8687  
 St. John's, Newfoundland & Labrador A1B 3T1  
 Telephone: (709) 772-6022  
 Fax: (709) 772-6090  
 Toll-free (information): 1-800-668-1010 (in the Atlantic region only)  
 TTY Toll-free (hearing impaired): 1-800-457-8466  
 E-mail: [info@cbsc.ic.gc.ca](mailto:info@cbsc.ic.gc.ca)  
 Web site: <http://www.cbsc.org/nl>  
 Hours of operation: 8:30 am to 5:00 pm Monday to Friday

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2. Incorporation
3. Taxation
4. Labour Laws
5. Intellectual Property
6. Competition & Consumer Laws
7. Import/Export
8. Business Insurance

#### 1. Licenses & Permits

##### *City/Town Councils*

(for contact information, consult your local telephone directory)

Municipal governments have varying requirements regarding the operation of businesses within their boundaries. Your local municipality should be consulted on such matters as:

- zoning regulations
- construction or renovation of buildings
- operation of a home-based business.

##### *Government Service Centres* (<http://www.gs.gov.nl.ca/gs/gsc/>)

Many of the licenses, permits, or approvals required by small businesses in this province are issued through the various Government Service Centres located throughout the province. Inspectors at the Centres are responsible for insuring that business owners adhere to regulations regarding:

- building codes
- design of septic systems
- elevator installation/maintenance
- building accessibility for persons with disabilities
- public health and safety.

Food establishment licenses, tobacco and liquor licenses are also issued by the Government Service Centres.

For a complete list of licenses and permits required by GSC, visit the regional office nearest you:  
GSC - Contacts for Newfoundland and Labrador

## 2. Incorporation

*Registry of Companies* (<http://www.gs.gov.nl.ca/cca/cr/>)

In Newfoundland and Labrador, you must register with the Registry of Companies if you decide to incorporate provincially. Sole proprietorships and partnerships are not required to be registered provincially.

The Companies and Deeds On-line (CADO) (<https://cado.eservices.gov.nl.ca/>) system enables users to perform basic searches of the Registry of Companies from their home or office at no cost. You can also:

- file Articles of Incorporation
- file an Annual Return
- file a Notice of Directors
- file a Notice of Registered Office
- request a Name Reservation
- file a Notice of Registered Office in NL
- obtain a Certificate of Good Standing
- pay on-line, where applicable, via Visa or MasterCard through a secure payment system.

The basic fee for provincial incorporation is \$300. For a complete schedule of fees, see: Registry of Companies - Fees (<http://www.gs.gov.nl.ca/cca/cr/pdf/corp/fees-corp.pdf>)

Department of Government Services

Ground Floor, East Block

Confederation Building

P.O. Box 8700

St. John's, NL A1B 4J6

Telephone: (709) 729-3317

Fax: (709) 729-0232

Web site: <http://www.gs.gov.nl.ca/cca/cr/>

*Corporations Canada* (<http://corporationscanada.ic.gc.ca/>)

Federal incorporation gives you the right to carry on business anywhere in Canada and provides heightened name protection. The fee for filing federal articles of incorporation is \$200 if filed online through the Corporations Canada Online Filing Centre (\$250 if filed through other means).

In addition, unless the company is going to request a numbered name, a NUANS® name search report will have to be filed. The NUANS® report may be obtained from an independent search house (the cost is approximately \$75 per search) or by direct search (the NUANS® Real-Time System) which costs \$20. Again, this is done through the Online Filing Centre.

If you simply want to search the Federal Corporations Data On-line ([http://strategis.ic.gc.ca/cgi-bin/sc\\_mrksv/corpdtr/dataOnline/search.cgi?lang=e](http://strategis.ic.gc.ca/cgi-bin/sc_mrksv/corpdtr/dataOnline/search.cgi?lang=e)), you can do so for free. (NOTE: This is not a real-time search. This database is updated every few hours, so results may vary from a NUANS® Real-Time System search).

For general information on the advantages and disadvantages of each form of ownership, see the

## document Forms of Business Organization

Corporations Canada Industry Canada

9th Floor Jean Edmonds Tower South

365 Laurier Avenue West

Ottawa, Ontario K1A 0C8

Telephone: (613) 941-9042

Fax: (613) 941-0601

Toll-free (information): 1-866-333-5556

E-mail: [corporationscanada@ic.gc.ca](mailto:corporationscanada@ic.gc.ca)

Web site: <http://corporationscanada.ic.gc.ca/epic/internet/incd-dgc.nsf/en/home?OpenDocument>

### 3. Taxation

#### *City/Town Councils*

(for contact information, consult your local telephone directory)

Consult your city/town council for information on business tax rates within your municipality.

*Canada Revenue Agency* (<http://www.cra.gc.ca/menu-e.html>) (CRA)

The Business Number (<http://www.cra.gc.ca/tax/business/topics/bn/menu-e.html>) (BN) is a numbering system that simplifies and streamlines the way businesses deal with the federal government.

The BN includes the four major CRA business accounts:

- corporate income tax
- import/export
- payroll deductions, and
- goods and services tax/harmonized sales tax (GST/HST).

If you need at least one of these four CRA business accounts, you will need a Business Number. As well, you should note that many suppliers prefer to do business with companies that have a Business Number.

Before registering for the BN, you should make some important decisions about the business you plan to operate. For instance, you should know the name of the business, its location, its legal structure (e.g., sole proprietorship, partnership, or corporation) and its fiscal year-end. You also need to estimate your business's sales. A Business Number is not necessary if your business (i) makes \$30,000 or less per year, or (ii) does not plan to hire employees. If you are a sole proprietor or a partner in a partnership, you will continue to use your social insurance number (SIN) to file your individual income tax return, even though you may have a BN for your GST/HST, payroll deductions, and import/export accounts.

The following Canada Revenue Agency guides provide additional information:

- Guide for Canadian Small Businesses (<http://www.cra-arc.gc.ca/E/pub/tg/rc4070/README.html>)
- Business and Professional Income (<http://www.cra-arc.gc.ca/E/pub/tg/t4002/README.html>)
- Employee or Self-employed (<http://www.cra-arc.gc.ca/E/pub/tg/rc4110>)

St. John's Tax Centre Canada Revenue Agency

290 Empire Avenue St. John's, Newfoundland & Labrador A1B 3Z1

Fax: (709) 754-3416

Toll-free (information): 1-800-959-5525 T.I.P.S. Automated Services 1-800-267-6999

Toll-free (publications): 1-800-959-2221 (Forms and Publications)

TTY Toll-free (hearing impaired): 1-800-665-0354

Web site: <http://www.cra.gc.ca/menu-e.html>

#### 4. Labour Laws

*Labour Relations Agency* (<http://www.hrle.gov.nl.ca/lra/>)

The Department of Human Resources, Labour and Employment is responsible for the Labour Relations Agency. The Agency has a Frequently Asked Questions (<http://www.hrle.gov.nl.ca/lra/labourstandards/faq.htm>) section on their web site which covers the following topics related to provincial employment regulations:

- Benefit Eligibility
- Hours of Work
- Payment of Wages
- Payroll Administration/Records
- Vacation and Vacation Pay
- Public Holidays
- Termination of Employment
- Pregnancy Leave
- Parental Leave
- Adoption Leave
- Bereavement Leave
- Employment of Children
- Sick/Family Responsibility Leave

Labour Relations Agency  
3rd Floor, Beothuck Building  
20 Crosbie Place  
P.O. Box 8700  
St. John's, NL A1B 4J6  
Telephone: (709) 729-2743/2742  
Fax: (709) 729-3528  
Toll-free (information): 1-877-563-1063  
Web site: <http://www.hrle.gov.nl.ca/lra/>

#### ***Human Resources and Social Development Canada*** (HRSDC)

Tel: 1-800-0-Canada (1-800-622-6232)

[Note: Inquiries for HRSDC and some other federal government departments are handled through Service Canada (<http://servicecanada.gc.ca/en/facts/service.html>)]

Federal labour and workplace information for employers and entrepreneurs can be found on HRSD's web site. Partnership initiatives and funding programs, including wage subsidies, are also covered.

Their HR for Employers (<http://www.hrmanagement.gc.ca/gol/hrmanagement/site.nsf/en/index.html>) web site is a one-stop information source for human resources management for small to medium sized businesses. Topics covered include:

- Hiring Employees
- Payroll/Benefits
- Departing Employees
- Training Employees
- Employee Relations
- Health & Safety
- HR Planning.

*Service Canada Centres - Supplement for Newfoundland and Labrador*

Canada's National Occupational Health and Safety Web Site (<http://www.canoshweb.org/>)

This web site allows Canadians to easily and independently locate occupational health and safety in-

formation provided by the federal, provincial and territorial governments of Canada and by the Canadian Centre for Occupational Health and Safety (CCOHS).

Included is information on:

Department of Government Services - Occupational Health and Safety Division  
(<http://www.gs.gov.nl.ca/ohs/>)  
Tel: 1-800-563-5471

Service Canada (HRSDC) - Occupational Health and Safety  
(<http://www.hrsdc.gc.ca/en/gateways/topics/oxs-gxr.shtml>)  
Tel: 1-800-0-Canada (1-800-622-6232)

Health Canada - Workplace Health and Public Safety Programme (WHPSP)  
([http://www.hc-sc.gc.ca/ewh-semt/occup-travail/index\\_e.html](http://www.hc-sc.gc.ca/ewh-semt/occup-travail/index_e.html))

Workplace Health, Safety and Compensation Commission (WHSCC)  
(<http://www.whscc.nf.ca>)

PRIME is the acronym for the Commission's new employer incentive program. PRIME has two parts. The Practice Incentive recognizes employers for their good practices in the areas of occupational health and safety and return to work through a 5% refund on average annual assessments. Employers who meet these requirements will be eligible for further refunds in part two of PRIME - the Experience Incentive.

Who must register?

The Workplace Health, Safety and Compensation Act requires all employers performing work in the Province of Newfoundland and Labrador to register with the Workplace Health, Safety and Compensation Commission (the Commission).

*Incorporated businesses/limited companies/incorporated associations*

All incorporated companies must register with the Commission. Coverage is mandatory for all workers, including the owner, directors or managers, even if the owner is the only worker.

*Non-incorporated businesses*

A non-incorporated business is not required to register if the only workers are the proprietor or partners.

WHSCC - Contacts for Newfoundland and Labrador

## 5. Intellectual Property

*Canadian Intellectual Property Office* (<http://cipo.gc.ca>)

In this province, the Canada/Newfoundland Business Service Centre is an intermediary for CIPO, which means that we assist with inquiries on intellectual property, connect clients with CIPO's staff in Halifax, N.S., and arrange information sessions when CIPO staff are visiting this Province.

There are various types of intellectual property protection such as patents; trade-marks; copyrights; and industrial designs. The following guides on CIPO's Web site are quite helpful in understanding each:

- Guide to Copyrights ([http://strategis.gc.ca/sc\\_mrksv/cipo/cp/copy\\_gd\\_main-e.html](http://strategis.gc.ca/sc_mrksv/cipo/cp/copy_gd_main-e.html))
- Guide to Patents ([http://strategis.gc.ca/sc\\_mrksv/cipo/patents/pat\\_gd\\_main-e.html](http://strategis.gc.ca/sc_mrksv/cipo/patents/pat_gd_main-e.html))

- Guide to Trade-marks ([http://strategis.gc.ca/sc\\_mrksv/cipo/tm/tm\\_gd\\_main-e.html](http://strategis.gc.ca/sc_mrksv/cipo/tm/tm_gd_main-e.html))
- Guide to Industrial Designs ([http://strategis.gc.ca/sc\\_mrksv/cipo/id/id\\_gd\\_main-e.html](http://strategis.gc.ca/sc_mrksv/cipo/id/id_gd_main-e.html))

From CIPO's web site, you can also do free searches of the:

*Canadian Patents Database* (<http://Patents1.ic.gc.ca/intro-e.html>)

*Canadian Trade-marks Database* (<http://strategis.gc.ca/cipo/trademarks/search/tmSearch.do>)

Mr. Tom Boyd  
 Business Development Officer  
 Canadian Intellectual Property Office  
 1575 Brunswick Street  
 Halifax, Nova Scotia B3J 2G1  
 Telephone: (902) 426-6476  
 Fax: (902) 426-6530  
 Toll-free (information): 1-800-668-1010  
 E-mail: [boyd.tom@cbsc.ic.gc.ca](mailto:boyd.tom@cbsc.ic.gc.ca)  
 Web site: <http://cipo.gc.ca>

*Socan* (<http://www.socan.ca>)

SOCAN is Canada's national performing rights society. The law (the Copyright Act of Canada) requires that the users of music obtain a SOCAN license to perform or authorize others to perform copyright music in public. Therefore, performances of music, live or recorded, in public whether in restaurants, clubs, hotels, banquet halls, dance halls, offices, stores, etc., all require payment of a license fee. The cost of the SOCAN license depends upon the particular use of music and the type of establishment being licensed.

SOCAN  
 Suite 802  
 45 Alderney Drive  
 Queen Square  
 Dartmouth, Nova Scotia B2Y 2N6  
 Telephone: 902-464-7000  
 Fax: 902-464-9696  
 Toll-free (information): 1-800-70 SOCAN (1-800-707-6226)  
 Web site: <http://www.socan.ca>

## 6. Competition & Consumer Laws

*Competition Bureau* (<http://cb-bc.gc.ca/epic/internet/incb-bc.nsf/en/home>)

The Bureau is an independent law enforcement agency responsible for the administration and enforcement of the following Acts:

- Competition Act
- Consumer Packaging and Labelling Act
- Textile Labelling Act
- Precious Metals Marking Act.

It promotes and maintains fair competition so that Canadians can benefit from competitive prices,

product choice and quality services. The organization investigates anti-competitive practices and promotes compliance with the laws under its jurisdiction.

The Business section of the Bureau's web site helps businesses understand their obligations under Canadian competition law and provides useful information on compliance.

**THIS CONTACT SERVES ALL REGIONS:**

Information Centre  
Competition Bureau  
Phase 1, Place du Portage  
50 Victoria Street  
Gatineau, Quebec K1A 0C9  
Telephone: (819) 997-4282  
Fax: (819) 997-0324  
Toll-free (information): 1-800-348-5358  
TTY Toll-free (hearing impaired): 1-800-642-3844  
E-mail: [compbureau@cb-bc.gc.ca](mailto:compbureau@cb-bc.gc.ca)  
Web site: <http://www.competitionbureau.gc.ca>

*Privacy Commissioner of Canada* (<http://www.privcom.gc.ca>)

In Canada, we are protected by two federal privacy laws. The Privacy Act covers the personal information-handling practices of the federal government and the Personal Information Protection and Electronic Documents (PIPED) Act is Canada's new private sector privacy law, which came fully into effect on January 1, 2004.

The PIPED Act sets out ground rules for how private sector organizations can collect, use or disclose personal information in the course of commercial activities. It balances an individual's right to privacy with the need of organizations to collect, use or disclose personal information for legitimate business purposes.

For information on your responsibilities under the Act, see the PIPEDA Guide for Businesses and Organizations ([http://www.privcom.gc.ca/information/guide\\_e.asp](http://www.privcom.gc.ca/information/guide_e.asp))

Privacy Commissioner of Canada  
3rd Floor, Tower B  
Place de Ville  
112 Kent Street  
Ottawa, Ontario K1A 1H3  
Telephone: 613- 995-8210  
Fax: 613-947-6850  
Toll-free (information): 1-800-282-1376  
TTY (hearing impaired): 613-992-9190  
E-mail: [info@privcom.gc.ca](mailto:info@privcom.gc.ca)  
Web site: <http://www.privcom.gc.ca>  
Hours of operation: 9:00 a.m. to 5:00 p.m. (EST) Monday to Friday.

## 7. Import/Export

*Canada Border Services Agency* (<http://www.cbsa.gc.ca/menu-e.html>)

The CBSA's Small and Medium-sized Enterprise Centre (<http://www.cbsa.gc.ca/sme/menu-e.html>) is tailored to meet the border and trade information needs of small and medium-sized enterprises (SMEs). Resources found here will help SMEs comply with the legislative and border requirements of the CBSA.

Included are two guides:

Importing - A Step-by-Step Guide

Exporting - A Step-by-Step Guide.

Canada Border Services Agency

165 Duckworth Street

6th floor

St. John's, Newfoundland & Labrador A1C 1G4

Toll-free (information): 1-800-461-9999

Web site: <http://www.cbsa.gc.ca/menu-e.html>

*Team Canada Inc* (<http://exportsource.ca/gol/exportsource/site.nsf/en/index.html>)

The Canada/Newfoundland and Labrador Business Service Centre (CNLBSC) initially handles all calls from this province to Team Canada Inc. From TCI's web site, you can access key resources such as:

- Roadmap to Exporting
- Export Assistant
- Export Diagnostic
- Export Training
- Guides and Tools
- Trade Map
- Virtual Trade Commissioner.

CNLBSC staff will also put you in contact with local trade experts including staff from:

- Trade Team Newfoundland and Labrador (TTNL)
- Department of Innovation, Trade and Rural Development (INTRD)
- Atlantic Canada Opportunities Agency (ACOA)
- Canadian Manufacturers and Exporters - NL Division (CME-NL)
- Export Development Canada (EDC).

Canada/Newfoundland and Labrador Business Service Centre

90 O'Leary Avenue

P.O. Box 8687

St. John's, Newfoundland & Labrador A1B 3T1

Telephone: (709) 772-6022

Fax: 709-772-6090

Toll-free (information): 1-888-811-1119

TTY Toll-free (hearing impaired): 1-800-457-8466

E-mail: [info@cbsc.ic.gc.ca](mailto:info@cbsc.ic.gc.ca)

Web site: <http://exportsource.ca/gol/exportsource/site.nsf/en/index.html>

Hours of operation: 8:30 am to 5:00 pm Monday to Friday

## 8. Business Insurance\*\*\*

Insurance is an essential part of financial planning. Unless you are willing to pay personally for business catastrophes and lawsuits, you will need to consult an insurance agent and purchase insurance.

You may not be aware of the types of business catastrophes that could conceivably occur in your business. It is the job of your insurance agent to tailor a policy that best fits your needs. Here are some examples of insurance coverage that would protect you against a claim:

- Personal liability - protects against claims made by those who suffer bodily injury on your premises
- Product liability - protects against law suits by customers who are injured while using your product
- Fire - will enable you to rebuild or repair the business location as well as replace equipment and inventory in the event of fire damage
- Automobile - protects your vehicle during business use
- Disability - will provide income during a period when you cannot work
- Business interruption - compensates for lost earnings during a temporary halt in business caused by a major disaster such as fire, tornado, flood, etc.
- Life - provides protection against financial loss caused by your death or serious injury
- Workers' Compensation - covers treatment of injuries and loss of pay related to employee accidents or illness on the job
- Crime/Theft - reimburses for losses due to robbery, burglary, employee dishonesty
- Bonding - ensures protection for faithful representation.

\*\*\* From: Selecting Professional Services “

**LOANS:**

The How-To Guide on “Financing Info” is an excellent resource that is very Newfoundland and Labrador specific. It is too long to include here in full but it can be read or printed from the following link:

[www.cbasc.org/servlet/ContentServer?printFlag=true&pagename=CBSC\\_NL%2Fdisplay&lang=en&cid=1100521599296&c=GuideInfoGuide](http://www.cbasc.org/servlet/ContentServer?printFlag=true&pagename=CBSC_NL%2Fdisplay&lang=en&cid=1100521599296&c=GuideInfoGuide)

**BUSINESS PLAN DEVELOPMENT:**

Business Plans are critical to a successful business start-up and the Government of Newfoundland and Labrador has an excellent resource on developing Business Plans on their website. They borrowed this resource from the Saskatchewan department of Industry and Resources.

“This outline is intended to assist an entrepreneur in writing a business plan for the establishment, the purchase or the expansion of an existing business.

***What Is a Business Plan?***

A business plan is a recognized management tool used by successful and/or prospective businesses of all sizes to document business objectives and to propose how these objectives will be attained within a specific period of time. It is a written document which describes who you are, what you plan to achieve, where your business will be located, when you expect to get under way, and how you will overcome the risks involved and provide the returns anticipated.

***Why Do You Need a Business Plan?***

A business plan will provide information of your proposed venture to lenders, investors, and suppliers to demonstrate how you plan to use their money, and to establish a basis for credibility of your project.

***When Should a Business Plan Be Prepared?***

The sooner you develop your business plan, the better. You will find that the final copy of your business plan may differ from the original draft, as you will be updating, revising and refining it as you go. It is important that you examine all the relevant factors now. Therefore, you will be able to anticipate any surprises after your business has opened its doors.

***Who Should Prepare a Business Plan?***

The business plan should be prepared by those persons who will be implementing it. Outside assistance from consultants, accountants, bookkeepers, and experienced business people can definitely help, but you must draft the initial plan. After all, you are the one that is going to run the business once it is open. Think through each element of your business plan thoroughly so you have a good understanding of the overall picture and all of the details. Present your plan to others for constructive criticism and advice, and try to profit from their experience. Modify your plan if necessary.

***What's in this for Me?***

If you have never drawn up a business plan before, you may be curious as to what the benefits are for you. First and most important, your plan gives you a guide to follow. Second, it gives your lending agency insight into your business opportunity therefore, positively affects your loan application. Finally, your plan will help you develop as a manager by giving you practice in thinking about competitive conditions, promotional opportunities, sources of finance, etc. Your goal is to put the plan into action.

**DOING IT WITHOUT THE INTERNET**

What if you do not have access to a computer, a printer and the internet? It will definitely be more time consuming to collect the forms you need and ensure they reach the correct office but it can be done. You should start by calling the government's staff at the Canada/Newfoundland & Labrador Business Service Centre for assistance and advice.

Toll free within Newfoundland and Labrador: 1-800-668-1010

Outside Newfoundland and Labrador: 1-(709)-772-6022

**WHEN THIS INFORMATION BECOMES OUT-OF-DATE**

If you are reading this report at some point in the future and the Province of Newfoundland and Labrador's information has changed or is dated, please call the phone numbers listed in the section above for more up to date information

**APPENDIX 8  
FEDERAL CONTACTS**

## REVENUE CANADA BUSINESS NUMBER

The Business Number (<http://www.cra.gc.ca/tax/business/topics/bn/menu-e.html>) (BN) is a numbering system that simplifies and streamlines the way businesses deal with the federal government.

The BN is a federal numbering system which is assigned to a business (one business, one number) to deal with the Canada Revenue Agency (CRA). Not all businesses require a BN and CRA account(s) so it is important to know if you need a number before registering.

The BN includes the four major CRA business accounts:

- corporate income tax
- import/export
- payroll deductions, and
- goods and services tax/harmonized sales tax (GST/HST).
- 

If you need at least one of these four CRA business accounts, you will need a Business Number. As well, you should note that many suppliers prefer to do business with companies that have a Business Number (BN).

Before registering for the BN, you should make some important decisions about the business you plan to operate. For instance, you should know the name of the business, its location, its legal structure (e.g., sole proprietorship, partnership, or corporation) and its fiscal year-end. You also need to estimate your business's sales.

A Business Number is not necessary if your business:

- (i) makes \$30,000 or less per year, or
- (ii) does not plan to hire employees.

If you are a sole proprietor or a partner in a partnership, you will continue to use your social insurance number (SIN) to file your individual income tax return, even though you may have a BN for your GST/HST, payroll deductions, and import/export accounts.

The following Canada Revenue Agency guides provide additional information:

- A useful site is: <http://www.cra-arc.gc.ca/tax/business/topics/bn/menu-e.html>
- Guide for Canadian Small Businesses (<http://www.cra-arc.gc.ca/E/pub/tg/rc4070/README.html>)
- Business and Professional Income (<http://www.cra-arc.gc.ca/E/pub/tg/t4002/README.html>)
- Employee or Self-employed (<http://www.cra-arc.gc.ca/E/pub/tg/rc4110>)

## HARMONIZED SALES TAX (PST & GST)

The most useful website on HST is: [www.cra-arc.gc.ca/tax/business/topics/gst/menu-e.html](http://www.cra-arc.gc.ca/tax/business/topics/gst/menu-e.html)

You need to register for a Business Number and to collect 14% HST on ALL sales if your total sales in one year will exceed \$30,000. There are exceptions but none apply to a small for-profit business and so you don't need to be bothered with learning about them.

There is a useful chart that tells you how much 14% is of a given sale amount at: [www.cra-arc.gc.ca/tax/business/topics/gst/calc\\_guide-184-e.html#T14](http://www.cra-arc.gc.ca/tax/business/topics/gst/calc_guide-184-e.html#T14).

## ECONOMIC DEVELOPMENT, LOANS & GRANTS

The federal government has several loan and grant programs but as a small clinic owner you are unlikely to be eligible. They usually target larger business, high technology business, exporting businesses, aboriginal businesses, and other special categories. Unfortunately a physiotherapy clinic is not a high priority for federal assistance programs.

Having said that, if you plan to buy or build a building that you or your company will own then you may be eligible for a loan, under the Canadian Small Business Financing Act, if you are considered high risk for a bank due to your recent business start-up. The website link is:

[www.cbsc.org/servlet/ContentServer?cid=1081944191217&pagename=CBSC\\_FE/display&lang=en&c=Finance](http://www.cbsc.org/servlet/ContentServer?cid=1081944191217&pagename=CBSC_FE/display&lang=en&c=Finance)

Another excellent and useful website belongs to Business Development Canada and the URL address is: [www.bdc.ca/en/business\\_tools/default.htm](http://www.bdc.ca/en/business_tools/default.htm)

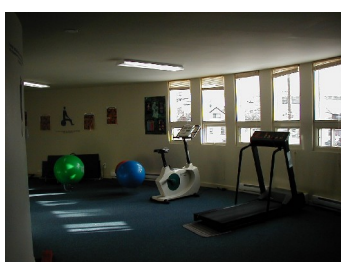
There are excellent tools this website that allow you to plan for your business and to see if lenders are likely to approve your loan request, or not, based on your most recent financial data.

“Business Development Canada is a financial institution wholly owned by the Government of Canada. BDC plays a leadership role in delivering financial and consulting services to Canadian small and medium-sized businesses, with a particular focus on the technology and export sectors of the economy.

In brief: BDC offers you both financing solutions (long term financing, venture capital, subordinate financing) and consulting services. BDC's innovative term financing features fixed or floating rates and repayment schedules up to 20 years, tailored to your working capital needs. Project-based financing and a comprehensive approach to risk assessment allows BDC to help businesses whose financial needs exceed the parameters of traditional financing.

BDC is a commercial bank offering long-term business financing, paid back with interest. For information on grants or subsidies, visit the Canada Business Service Centres Web site.”

The Canadian Business Service Centres website address is: <http://canadabusiness.gc.ca/gol/cbec/site.nsf/en/index.html>



“ Physiotherapy Clinic Start-Up” was written and/ or compiled by Christine Hoyt  
for the  
Atlantic Provinces’ Physiotherapy Associations

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