



Small Business Information Package

Helping Small Businesses Grow!



Small Business Advisory Centre

Smiths Falls | Lanark County

What is the Small Business Advisory Centre?

The Small Business Advisory Centre offers information and advice services for anyone interested in starting their own small business, or needing assistance with an existing small business. The Small Business Advisory Centre is in partnership with the [Ministry of Economic Development and Growth](#), the [Town of Smiths Falls](#), and the [County of Lanark](#). The Centre is also part of the ONE network and serves North Leeds, Smiths Falls and all of Lanark County. Business hours are from 8:30 am to 4:30 pm weekdays. One-on-one sessions are by appointment only.

What services are offered at the centre?

- ✓ **Walk-In Resource & Technology Centre**
The office offers a comprehensive walk-in resource centre with business literature and advisory materials. Visitors may have access to a computer/internet for business purposes.
- ✓ **Small Business Counselling**
A business advisor is available by appointment to provide free, one-on-one sessions.
- ✓ **Government Regulations**
Information on registering a business name and HST
- ✓ **Financing**
Information on loan programs and financing options
- ✓ **Employee Information**
A variety of information on hiring employees is available: CRA information, Employment Standards Act, EHT, WSIB, CPP, and information on hiring employees
- ✓ **Demographics & Statistics**
Statistical and demographical information is available for market research
- ✓ **Economic Development & Municipal Information**
Contact information and networking opportunities within a specific town/region
- ✓ **Small Business Seminars**
Business seminars are organized and presented to businesses.

Business Checklist

- Assess your Suitability
- Discuss with your family/close friends
- Do a Business Plan
- Obtain adequate financing
- Choose form of ownership
- Determine what municipal requirements are needed
- Contact Fire and Safety officials
- Register the business name
- Decide if HST registration is needed and if yes, obtain Federal business number
- Open a Bank Account
- Obtain import/export information
- Obtain any licenses and permits needed for your business
- Discuss insurance needs with an agent/broker
- Choose advisors: accountant, lawyer, business consultant
- Set up bookkeeping system
- If hiring employees, register with CRA and WSIB
- Start selling/manufacturing/servicing

Business Structure

An important step in developing a business is determining the type of legal structure the business will hold. The structure will determine features such as taxation, organization, liability, etc. In Ontario, the types of business structures include sole-proprietorship, corporation, partnership, and cooperatives structures. The advantages and disadvantages of each type are listed in the table below.

Business Structure	Advantages	Disadvantages
<p>SOLE PROPRIETORSHIP</p> <p>This is where the business and the owner are the same legal entity</p>	<ul style="list-style-type: none"> ✓ Owned by one person ✓ Low start-up cost ✓ Minimum regulation 	<ul style="list-style-type: none"> ▪ Unlimited liability ▪ Difficult to raise capital ▪ Credit is dependent on the owners personal credit
<p>PARTNERSHIP</p> <p>A partnership is where two or more individuals share ownership of the business</p>	<ul style="list-style-type: none"> ✓ Ease of formation ✓ Easy to start ✓ Shared management/ work duties ✓ Shared financing 	<ul style="list-style-type: none"> ▪ Partners often have conflicts ▪ Liable for all debts and obligations ▪ Partnership agreement is required
<p>INCORPORATION</p> <p>A new separate legal entity is established</p>	<ul style="list-style-type: none"> ✓ Limited legal and financial liabilities ✓ Tax advantages ✓ Continue its existence ✓ Ownership is transferable 	<ul style="list-style-type: none"> ▪ Expensive to start ▪ Closely regulated ▪ More complex record keeping ▪ More administration
<p>CO-OPERATIVES</p> <p>A structure based on two or more owners, each having equal voting and profit sharing rights</p>	<ul style="list-style-type: none"> ✓ Pooled skills ✓ Commitment ✓ Group decision making 	<ul style="list-style-type: none"> ▪ Expensive to start ▪ More complex record keeping

Registering a Business

Business Name

A business' legal structure will predetermine how it needs to be registered with the government. For example, if the business name is anything other than the owner's legal name, it must be registered with Ministry of Government Services.

Sole-proprietorship, Partnership or Cooperative

Sole-proprietorships, partnerships or cooperatives can be registered online with a credit card at www.serviceontario.ca. The cost is \$60, plus \$8 for to conduct a name search. You will immediately be issued a Master Business License and you can print it off. Alternatively, the business name can be registered at a nearby Service Ontario office (See list below).

Kemptville Service Ontario

10 Campus Drive
Kemptville, ON K0G 1J0
8:30 AM - 4:30 PM Weekdays
1 (800) 267-8097

Brockville Service Ontario

7 King Street West
Brockville, ON K6V 3P7
8:30 AM - 5:00 PM Weekdays
(613) 345-5751

Corporation

For incorporated businesses, the business must be registered as a legal entity, either federally or provincially. The process varies considerably from basic business registration and requires the director/owner to file *Articles of Incorporation* with the Ministry of Government and Consumer Services.

Provincial Incorporation in Ontario

Ottawa Service Ontario Centre
110 Laurier Avenue West (Ottawa City Hall)
1 (800) 267-8097

Federal Incorporation

Industry Canada/Corporation Directories
365 Laurier Avenue West, 9th Floor
Ottawa, ON K1A 0C8
613-941-9042

Online Information

<https://www.ontario.ca/page/start-dissolve-and-change-corporation>

Online Information

<https://www.ic.gc.ca/eic/site/cd-dgc.nsf/eng/cs06642.html>

Registering a Business (ctd...)

Business Number (BN)

A BN is issued by the Canada Revenue Agency (CRA) to a business when it is registered for any of four CRA accounts: HST, Payroll Deductions, Import/Export and Corporate Income Tax. It is the identification used by a business in all dealings with CRA.

Goods & Services Tax

Any business with sales of \$30,000 in 4 subsequent calendar quarters is required to register for HST. A HST registration must collect tax on most sales and remit to the federal government, but is also entitled to an Input Tax Credit for HST paid out on business expenses. Registration can be done at any time voluntarily.

Canada Revenue Agency (CRA)

1 (800) 959-5525

www.businessregistration.gc.ca

Import / Export

If you are planning to bring goods into Canada or sell outside the country, contact the Canada Border Services Agency at 613-993-0534 to obtain info or on their website at <http://www.cbsa-asfc.gc.ca>

Employer Health Tax

Self-employed individuals and employers with an Ontario payroll over \$450,000 are required to pay the Employer Health Tax (EHT)

Ministry of Finance

1-800-263-7965

Health

Any business that is involved in food preparation and distribution is required to contact the Leeds-Grenville & Lanark District Health Unit, <http://www.healthunit.org> to arrange for an inspection and/or certification.

Smiths Falls

25 Johnston Street
Smiths Falls, Ontario
Phone: 613-283-2740
Fax: 613-283-1679

Municipal Taxes, Zoning & Signage

Check with the Municipal Office for the municipality that your business will be located in to ensure the zoning is appropriate, how much the municipal taxes will be and whether there are any restrictions on signage. The Home Occupations Bylaw will determine usage for home-based business.

Municipality:

Lanark County
Town of Carleton Place
Township of Drummond/North Elmsley
Township of Lanark Highlands
Town of Mississippi Mills
Town of Perth
Town of Smiths Falls
Tay Valley Township
Beckwith Township
Township of Montague
United Counties of Leeds & Grenville
Township of Rideau Lakes
Township of Elizabethtown-Kitley
Village of Merrickville-Wolford
Village of Westport

Website:

www.county.lanark.on.ca
www.carletonplace.ca
www.dnetownship.ca
www.lanarkhighlands.ca
www.mississippimills.ca
www.perth.ca
www.smithsfalls.ca
www.tayvalleytwp.ca
www.twp.beckwith.on.ca
www.township.montague.on.ca
www.leedsgrenville.com
www.twprideaulakes.on.ca
www.elizabethtown-kitley.on.ca
www.merrickville-wolford.ca
www.villageofwestport.ca



Employer & Employee Information

Payroll Deductions

If you are employing anyone, you must register with CRA as an employer and withhold Employment Insurance, Canada Pension, and Income Tax deductions from the employee(s) pay. The withholdings and employer portions are remitted on a regular basis determined by CRA.

Employment Standards

Employers are required to follow the Employment Standards Act that applies to Hours of Work, Wages, Leave, Holidays, etc. The Employment Standards Guide can be found on the Ministry of Labour site at <http://www.labour.gov.on.ca/english> or call 1 (800) 668-9938

Workplace Safety and Insurance Board (WSIB)

It is required by law to register with the WSIB within 10 days of hiring an employee. Premiums are based on the industry sector in which your business operates. Their website is <http://www.wsib.on.ca>.

99 Metcalfe Street
Ottawa Ontario
(613) 237-8840
1 (800) 267-9601



Business Plan

Writing a business plan can seem daunting; but creating one using a systematic approach can make the process much easier. Below is a list of some of the sections that a typical business plan should include, in addition to some general questions that could be answered in each section. For more in-depth information and details needed in a business plan, visit the Canada Business Ontario website at <http://www.cbo-eco.ca/en/index.cfm/planning/writing-a-business-plan/>

Cover Page

Includes company name, contact information

Table of Contents

Headings, subheadings and page numbers for each reference

Executive Summary

A concise summary of the information presented in the following pages. Keep in mind that this section will help the reader decide whether or not to read the entire plan.

Company Profile

1. What is the nature of the business?
2. What is the legal status and ownership? Is it a sole proprietorship or corporation?
3. When will/did it start operations? Who owns the business? Where is it located?
4. Who are the management team, advisors and other key personnel?

Economic and Industry Overview

1. How big is the industry that you operate within (numbers/sales/employees, etc.)? Is it growing/stable/declining? What is the outlook for the next 1, 2, and 5 years?
2. What is the state of the economy in the area, in which you operate?
3. Are there any legislative or regulatory issues affecting your business?
4. What trends in the economy and the industry will affect your success?

Target Market

1. Are you selling to consumers, retailers, wholesalers or other businesses?
2. Who is the most likely customer (age, gender, marital status, income, education)?
3. How many customers are there in the geographical area that you serve?
4. What factors influence the buying decision, e.g. price, quality, service, etc.?
5. What marketing tools will be used to reach the target market (social media, Ads, etc.)?

Competition

1. List your key competitors for the above market. These may be direct, i.e. selling the same item as you or indirect, i.e. competing for dollars in the same industry.
2. What are your strengths and weaknesses in comparison with each of these competitors (consider price, location, marketing strategy, etc.)?
3. In what way will you use your competitive advantage over each of the above?
4. Are there any trademarks/ copyrights/patents needed to protect the product?

Marketing Strategy

1. What location did you chose for the business and why? Is there potential for future growth at this location?
2. Is there sufficient traffic flow to meet sales projections?
3. Do the projected sales justify the costs of this location? Explain.
4. How will you price your product(s) and/or service(s)? How did you arrive at these prices?
5. What is unique or special about what you are selling?
6. Outline your marketing plan for the 1st year including all methods of reaching your market, the frequency and cost of each.

Operating Plan

1. Describe the production process.
2. What equipment and supplies will you need to start and run the business?
3. List the suppliers for all products/services required and why you have chosen them (e.g. product lines, frequency of delivery, pricing, terms and conditions, reputation, etc.)
4. Who is your management team and what are their qualifications for this role?
5. What licenses and permits are required? What types and levels of insurance are required?

Financial Information

1. Provide a list of start-up costs.
2. Provide a monthly cash flow projection for the 1st year of business. Indicate fixed and variable expenses and break-even point.
3. What is your personal contribution to the start-up funds required?
4. What other sources of financing do you have?
5. Provide a projected Balance Sheet as of the end of Year One. Provide a projected Income Statement (profit and Loss) for Year One.

Critical Risks and Success Factors

1. Identify what could go wrong/worst case scenarios with the different aspects of your plan.
2. How will you deal with new competition? What steps will you take to minimize risk?

Appendices

May include any of the following:

1. Management biographies and resumes
2. Valuations of assets
3. Photographs of products, equipment, facilities, etc.
4. Intellectual property documents
5. Marketing materials
6. Research and/or Studies
7. Legal agreements and financial statements

Cash Flow Statement

Sample

MONTHS	AUG.	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	TOTAL
CASH RECEIPTS													
Cash Received for Training	0	0	1,600	2,400	2,400	1,600	2,400	2,800	2,800	2,800	2,800	2,400	24,000
Group Consulting	0	0	2,400	0	0	2,400	0	2,400	0	2,400	0	0	9,600
Seminars	0	750	1,000	1,400	0	0	0	0	0	0	0	0	3,150
Loan	15,000	0	0	0	0	0	0	0	0	0	0	0	15,000
Personal Investment	7,500	0	0	0	0	0	0	0	0	0	0	0	7,500
TOTAL	22,500	750	5,000	3,800	2,400	4,000	2,400	5,200	2,800	5,200	2,800	2,400	59,250
CASH DISBURSEMENTS													
Equipment Purchase	10,923	770	0	0	0	300	0	0	0	0	0	0	11,993
Business Registration	60	0	0	0	0	0	0	0	0	0	0	0	60
Office Supplies	100	25	25	25	25	25	25	25	25	25	25	25	375
Telephone/Fax	375	200	200	200	200	200	200	200	200	200	200	200	2,575
Facility Rental	0	100	100	100	100	100	100	100	100	100	0	0	900
Insurance	36	36	36	36	36	36	36	36	36	36	36	36	432
Advertising	1,050	1,105	685	685	325	1,215	765	765	715	715	415	355	8,795
Salary	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Materials	200	200	200	250	200	100	150	300	300	300	300	300	2,800
Vehicle: Gas/Parking	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Loan Repayment	0	150	150	150	150	150	150	150	150	150	150	150	1,650
Bank Charges	20	20	20	20	20	20	20	20	20	20	20	20	240
Misc.	50	50	50	50	50	50	50	50	50	50	50	50	600
TOTAL	15,014	4,856	3,666	3,716	3,306	4,396	3,696	3,846	3,796	3,796	3,396	3,336	56,820
NET CASH													
Net Cash Surplus	7,486		1,334	84				1,354		1,404			2,430
Net Cash Deficit		-4,106			-906	-396	-1,296		-996		-596	-936	
Cumulative to Date	7,486	3,380	4,714	4,798	3,892	3,496	2,200	3,554	2,558	3,962	3,366	2,430	

Example Cash Flow Disbursements/Expenses

The following list is a sample of monthly disbursements/expenses that you may have to keep your business operating.

- Bank Fees
- Salary
- Source Deductions
- Wages
- Telephone
- Utilities
- Office Expenses
- Tradeshows
- Conferences
- Travel Expenses
- Training
- Legal Fees
- Accounting Fees
- Rent
- Business Taxes
- Advertising
- Promotional Expenses
- Licenses
- Vehicle Operating Costs
- Insurance
- Inventory
- Equipment purchases
- Tax Remittance
- Loan Repayment
- Owners' Drawings
- Business Registration

50 Ideas to Promote Your Business

- ✓ Business Cards
- ✓ Letterhead
- ✓ Newspaper
- ✓ Magazine – Trade
- ✓ Direct Mail Letters
- ✓ Yellow Pages
- ✓ Coupon Mails Backs
- ✓ Brochures/Catalogue
- ✓ Radio
- ✓ Television
- ✓ Posters
- ✓ Window Banners
- ✓ Signs Storefront, A-frame, etc.
- ✓ Logo Clothing
- ✓ Mascot
- ✓ Window Displays
- ✓ Trade Shows
- ✓ Consumer Shows
- ✓ Uniforms
- ✓ Demonstrations
- ✓ Personal Selling
- ✓ Referral Cards
- ✓ Product Labelling
- ✓ Bags/Gift Boxes
- ✓ Newsletters
- ✓ Seminars
- ✓ Grand Opening
- ✓ Greeting Cards
- ✓ Event Sponsorship
- ✓ Charity Events
- ✓ Tours – Store/Facility
- ✓ Thank You Cards
- ✓ Free Trial Offers
- ✓ Cross Merchandise/Service
- ✓ Business Networking
- ✓ Joining Associations
- ✓ New/Press Release
- ✓ Sampling
- ✓ Rebates
- ✓ Expert Talks, Presentations
- ✓ Discount/Premium Guides
- ✓ Sporting Event Programs
- ✓ Electronic Message Signs
- ✓ Customer Testimonials
- ✓ Bumper/Window Stickers
- ✓ Referral Incentives
- ✓ Promotional Giveaways
- ✓ Create a Website
- ✓ Social Media – Facebook, Twitter, Instagram, Blog, Webinar, LinkedIn, YouTube
- ✓ Online Classifieds – Kijiji, Craigslist

Helpful Business Planning Websites

Small Business Ontario

www.serviceontario.ca/
<https://www.canada.ca/en/services/business/start.html>
<https://www.ontario.ca/page/business-and-economy>
<https://www.ontario.ca/page/ministry-economic-development-and-growth>
www.onebusiness.ca/

Example Business Plans

www.royalbank.com/
www.bplans.com
www.tdcanadatrust.com/products-services/small-business/windocs.jsp
www.scotiabank.com/ca/en/0,,588,00.html
www.bmo.com/home/small-business/banking/resources/business-resources
www.futurpreneur.ca/en/bplan/

Business Toolkits

www.canadaone.ca/tools/index.html
<http://office.microsoft.com/en-us/templates/default.aspx> (templates for invoices, brochures)

Business Information Sites

www.canadabusiness.ca/eng/ (Canada Business)
www.cbo-eco.ca/en/ (Canada Business Ontario)
www.canadaone.com

Secondary Research (Demographic information for business plan)

www.statcan.gc.ca
<http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E>
(Community Profiles)
www.canadabusiness.ca/eng/program/2478/

Small Business Advisory Centre

Contact Us / Follow Us



Phone

(613)283-7002 ext. 108 or 109



Email

cjames@smallbizcentre.ca
smallbusiness@smallbizcentre.ca



Address

91 Cornelia St. West,
Smiths Falls, ON K7A 5L3



Website

www.smallbizcentre.ca



Facebook

@SmallBizCentre
www.facebook.com/SmallBizCentre/



Twitter

@SmallBiz_Centre
https://twitter.com/smallbiz_centre



Instagram

@smallbusinesscentre_sf_lc

