

# CHECKLIST FOR BUSINESS STARTERS

For many people, the idea of going into business is appealing because it seems to offer direction and control over their lives. Sometimes the reality can be the opposite. So prepare yourself and your idea before risking your funds, by gathering as much information as possible prior to making any commitment. There are books, workshops and specialist services available from the Small Business Development Corporation (SBDC) and the Small Business Centre network to assist you.

For information on SBDC publications for sale and workshops, telephone 13 12 49 or go to the SBDC website at [www.smallbusiness.wa.gov.au](http://www.smallbusiness.wa.gov.au)

	CHECKLIST
<p><b>Organise yourself</b> Most successful business owners are hardworking, self-motivated, decisive and in good health. If you are considering going into business, you need to be aware of your skills and abilities and what motivates you. Make a list of your personal strengths and weaknesses and consider their impact on your business.</p>	<ul style="list-style-type: none"> <li>• Visit the SBDC Business Information Centre, telephone 13 12 49 or go to the SBDC website <a href="http://www.smallbusiness.wa.gov.au">www.smallbusiness.wa.gov.au</a>.</li> </ul>
<p><b>Evaluate your idea</b> Has what you want to do been done before? Was it successful? Is what appears to be a good idea going to be a commercially successful idea? Do you have the skills to make it successful? Do you have the money (or access to it) to go into business at this time?</p>	<ul style="list-style-type: none"> <li>• Purchase the SBDC publication <i>Evaluating your business idea: is it worth the effort?</i> from the Business Information Centre.</li> <li>• Register for the <i>Feasibility of your business idea</i> workshop.</li> </ul>
<p><b>Licences or permits</b> You need to find out if you require any licences and/or permits to operate the proposed business. You may need a permit from your local council if you plan to operate a home based business.</p>	<ul style="list-style-type: none"> <li>• Contact the Business Information Centre for a free licence information pack, telephone 13 12 49.</li> <li>• Go to the Business Licence Information Service website at <a href="http://www.licence.smallbusiness.wa.gov.au">www.licence.smallbusiness.wa.gov.au</a>.</li> </ul>
<p><b>Market research</b> By answering the basic questions of Who? What? Where? When? and for How much? You can create a profile of your potential customers. You then need to identify the segment of the market (niche) that will be your target market. You also need to identify the strengths and weaknesses of your competitors so you can identify your competitive advantage.</p>	<ul style="list-style-type: none"> <li>• Purchase the SBDC publication <i>Market research for small business</i> from the Business Information Centre.</li> <li>• Use the free research facilities at the Business Information Centre and the Business and Management Library at the State Library of Western Australia, telephone (08) 9427 3111 or go to the library's website at <a href="http://www.slwa.wa.gov.au">www.slwa.wa.gov.au</a>.</li> <li>• Register for the SBDC <i>Introduction to market research</i> workshop.</li> </ul>
<p><b>Intellectual property</b> A search of the trade mark databases before you register a business name, a company name or a domain name can help you to avoid potentially costly errors. A trade mark is a word, phrase, letter, number, logo, picture, sound, smell, shape, aspect of packaging or a combination of any of these. Copyright is not registered as it automatically vests in the creator.</p>	<ul style="list-style-type: none"> <li>• Contact the SBDC on 13 12 49 for free information and guidance.</li> <li>• IP Australia <a href="http://www.ipaustralia.gov.au">www.ipaustralia.gov.au</a>, telephone 1300 651 010.</li> <li>• Australian Copyright Council <a href="http://www.copyright.org.au">www.copyright.org.au</a>, telephone (02) 8815 9777.</li> </ul>
<p><b>Business planning</b> A business plan is essential if you need to seek finance or impress a potential partner or investor. It will help with setting goals and staying on track. A business plan encapsulates the business idea and the financial, marketing and operational strategies to achieve success.</p>	<ul style="list-style-type: none"> <li>• Purchase the SBDC CD-ROM <i>Step-by-step business plan</i> from the Business Information Centre.</li> <li>• Register for the SBDC <i>Introduction to business planning</i> workshop.</li> </ul>
<p><b>Location and leasing</b> The location of a business can be critical to its success and an unsatisfactory lease can lead to business failure. Most retail leases in Western Australia are regulated by the <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>. Do not accept or sign any offers to lease before receiving ALL relevant documentation including a disclosure statement, tenant guide, expenses budget and a form of the lease.</p>	<ul style="list-style-type: none"> <li>• Arrange a free appointment or telephone consultation with the SBDC Commercial Tenancy specialist officer before negotiating and leasing commercial premises – telephone 13 12 49.</li> <li>• Pick up the free <i>Leasing commercial property</i> small business brief and purchase the relevant commercial tenancy publication from the Business Information Centre.</li> </ul>
<p><b>Financial management</b> Good financial management is critical to the ongoing success of your business. This includes costing and pricing accurately, knowing your breakeven point, preparing sales projections and cashflow forecasts, and keeping bookkeeping and other records up-to-date.</p>	<ul style="list-style-type: none"> <li>• Purchase the SBDC <i>A Guide for operating a small business</i> publication from the Business Information Centre.</li> <li>• Register for the SBDC <i>Costing and pricing of goods and services</i> workshop.</li> </ul>

**Funding and finance**

Generally there are no government grants to start or buy a business. When you have ascertained your start-up costs and estimated income and operating costs for at least the first 12 months, consider how any shortfall will be funded. Possible sources of funding include savings, friends, partners, or a bank or other financier. Lenders will generally require a business plan, including cashflow forecasts and sufficient collateral as security.

- Purchase the *Guide to Cash Flow & Credit Risk* publication from the Business Information Centre.
- Go to [www.smallbusiness.wa.gov.au/grants](http://www.smallbusiness.wa.gov.au/grants) for information on grants for small business.

**Employing staff**

Legal obligations for employers not only include complying with awards and minimum conditions of employment but a range of other matters such as equal employment opportunity and occupational safety and health.

- Purchase the *'Developing Your People'* and *'Motivating Employees'* publications from the Business Information Centre.
- Wageline telephone 1300 655 266 [www.docep.wa.gov.au](http://www.docep.wa.gov.au).
- Workcover telephone (08) 9388 5555 [www.workcover.wa.gov.au](http://www.workcover.wa.gov.au).
- Australian Taxation Office (ATO) Superannuation contributions for employees telephone 13 10 20 [www.ato.gov.au/super](http://www.ato.gov.au/super) and PAYG withholding tax telephone 13 28 66 [www.ato.gov.au](http://www.ato.gov.au).

**Business structures**

Most small businesses operate as a sole trader, partnership, proprietary company or a trust.

It is recommended that you seek professional advice from your accountant on your choice of business structure.

- Pick up the free *Business structures* small business brief and purchase the SBDC *Business structures* publication from the Business Information Centre.
- Register for the SBDC *Biz Basics* workshop.
- Contact your accountant or use a shelf company service provider listed in the Yellow Pages [www.yellowpages.com.au](http://www.yellowpages.com.au).
- Go to Australian Securities and Investment Commission (ASIC) website at [www.asic.gov.au](http://www.asic.gov.au).

**Working capital**

Working capital is money available to cover the day-to-day operation of the business. The management of working capital involves managing the levels of both current assets and current liabilities and their impact on the cash available for day-to-day operations. Business expansion generally increases the need for working capital.

- Print or download the Cashflow forecast spreadsheet from the SBDC website, at [www.smallbusiness.wa.gov.au/financial-forecasts](http://www.smallbusiness.wa.gov.au/financial-forecasts).

**Insurances and superannuation**

Business owners need to insure their life, their income and their commercial risk. Workers' compensation insurance cover and superannuation guarantee contributions are compulsory for employees and some contractors.

- Call the ATO Superannuation hotline, 13 10 20.
- Search [www.needabroker.com.au](http://www.needabroker.com.au)
- Contact a broker or insurance company to discuss your position. The National Insurance Brokers Association of Australia (NIBA) can be accessed at [www.niba.com.au](http://www.niba.com.au) or call (02) 9964 9400.

**Registering a business name**

If you operate as a sole trader or a partnership you can operate under your own name(s), but if you use any other name you need to register it as a business name.

- Call into the Business Information Centre to pick up a registration form or download it from the Department of Commerce website at <https://bizline.commerce.wa.gov.au/bnonline>.
- Search business names and company names listed on the ASIC National Names Index at [www.asic.gov.au](http://www.asic.gov.au).

**Taxation**

If you operate a business you are entitled to an Australian business number (ABN). If your turnover is at or exceeds \$75,000 per annum you are required to register for goods and services tax (GST) with the Australian Taxation Office. Below this turnover, registration is optional.

- Access the range of free publications in the Business Information Centre designed especially for small business and home based business operators.
- Visit the ATO website [www.ato.gov.au](http://www.ato.gov.au) or telephone 13 28 66 for more information. You can apply for an ABN online at [www.abr.gov.au](http://www.abr.gov.au).
- Contact the Office of State Revenue within the Department of Treasury and Finance, telephone (08) 9262 1400 or online at [www.dtf.wa.gov.au](http://www.dtf.wa.gov.au) for information on WA State taxes.

**Marketing and promotion**

Marketing means more than selling, it is concerned with every aspect of the product or service from inception, design, pricing, distribution, selling and promotion through to after sales service and measurement of customer satisfaction. Your market research will form the basis of your marketing strategies. Promotions can include advertising, radio spots, sponsorships, brochures, signage, business cards, referrals, direct mail and guest speaking.

- Purchase the *Marketing for small business* publication from the Business Information Centre.
- See the marketing information on the SBDC website at [www.smallbusinesswa.gov.au/marketing](http://www.smallbusinesswa.gov.au/marketing).

**Technology**

Keep up with new developments. Evaluate the standard and performance of your fax machine, telephone system, photocopier, answering machine, pagers, website, social media, mobile phones, two-way radio, teleconferencing facilities, cash registers, security systems, computers, software applications and your broadband or modem internet access.

This publication is also available upon request in alternative formats such as large print, electronic format, audio, or braille.

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