



STARTING A BUSINESS - CHECKLIST

BUSINESS NAME

LAST UPDATED

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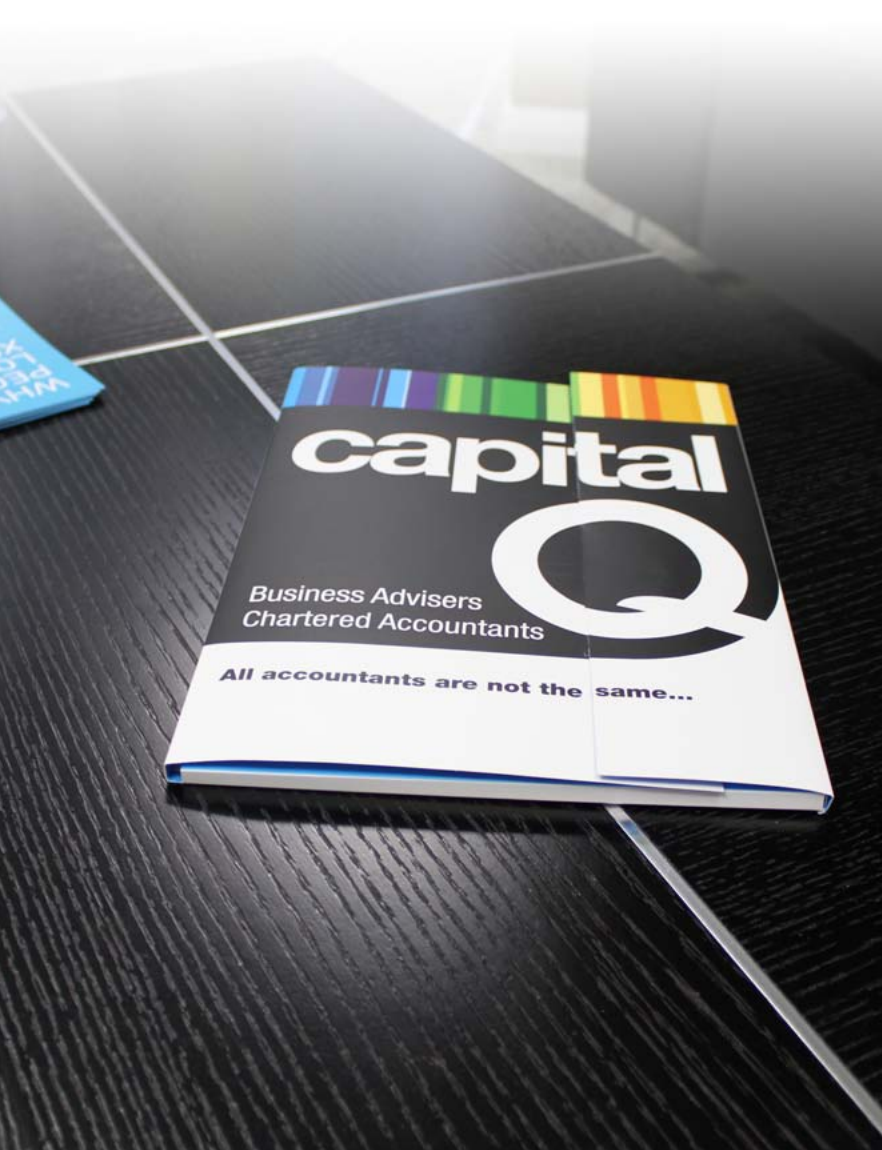
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1 Business Structure & Intellectual Property

1.1

AREA / ISSUE

Determine the most appropriate Business Structure for the new business venture (Company, Trust, Partnership, Sole Trader, Combination of these...).

COMMENTS

There are many options regarding the business structure to use, each has pros and cons and each suit certain circumstances better than others. It is vital to get it right upfront, it can be very costly to fix or change your structure later on. CapitalQ can provide a formal recommendation based on your circumstances.

NOTES

Along with 1.2 below this should be done upfront BEFORE anything else (including signing a Contract to buy a Business!)

1.2

AREA / ISSUE

Establish the selected Business Structure.

COMMENTS

Once the appropriate structure is selected, CapitalQ can attend to its establishment including all necessary legal and evidentiary documentation.

NOTES

Along with 1.1 above this should be done upfront BEFORE anything else (including signing a Contract to buy a Business!)

1.3

AREA / ISSUE

Prepare Business Structure Diagram to ensure clear understanding by all relevant parties and for future reference.

COMMENTS

CapitalQ can prepared a detailed structure diagram to assist all relevant parties understand the new business structure, for use in dealing with other service providers (ie. Banks) and for future reference.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

1.4

AREA / ISSUE

Register Business Name (within correct Business Structure).

COMMENTS

In some cases a Business Name won't be necessary (ie. where a Company is used in the Business Structure), however regardless, we generally recommend a Business Name is always registered in addition to any Company Name. The Business Name must be owned in the correct entity within the Business Structure. (If the Business Name was registered earlier in the process, it will likely be owned incorrectly and it should be transferred to the correct owner within the Business Structure). CapitalQ can address this as part of Establishing the Business Structure under 1.2.

URGENCY

High

☐ Done☐ Not Required

NOTES

1.5

AREA / ISSUE

Register Domain Name (within correct Business Structure).

COMMENTS

The Domain Name must be owned in the correct entity within the Business Structure. (If the Domain Name was registered earlier in the process, it will likely be owned incorrectly and it should be transferred to the correct owner within the Business Structure).

URGENCY

Optional

☐ Done☐ Not Required

NOTES

1.6

AREA / ISSUE

Prepare Shareholders / Governance Agreement.

COMMENTS

Where there are unrelated parties involved in the business this is very highly recommended. Where there are family members other than spouses it is also recommended. CapitalQ can advise the role of such an agreement and its importance. We assist with determining the key items to be addressed, mechanisms to be used within the agreement to achieve desired outcomes and engage solicitors on our behalf to have the document prepared.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

1.7

AREA / ISSUE

Prepare Insurance Buy / Sell Agreement.

COMMENTS

As above for the Shareholders / Governance Agreement (the two can be combined if appropriate).

URGENCY

Optional

☐ Done☐ Not Required

NOTES

1.8

AREA / ISSUE

Register Trademarks & other Intellectual Property (if required) (within correct Business Structure).

COMMENTS

Generally a solicitor who specialises in this area of law will be required to undertake this task, however it can only be done correctly once the Business Structure has been established. Many businesses don't have such items, or at the early stage their Trademarks and IP is not of sufficient value to warrant the cost, but it should at least be considered and kept on the radar for the future.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

2

Australian Taxation Office & Related Compliance Issues

2.1

AREA / ISSUE

Attend to Required Federal Tax Registrations (ie. TFN / ABN / GST / PAYGW / PAYGI / FBT).

COMMENTS

CapitalQ will provide advice regarding registration requirements (as part of Structure Advice per 1.1) and will attend to the required registrations (as part of Structure Establishment per 1.2).

URGENCY

High

☐ Done☐ Not Required

NOTES

2.2

AREA / ISSUE

Attend to Required State Tax Registrations (ie. Payroll Tax) As Required.

COMMENTS

If you expect to have substantial payroll expenses CapitalQ can provide advice regarding your obligations in this regard and where required can attend to the appropriate registrations.

URGENCY

Moderate

☐ Done☐ Not Required

NOTES

2.3

AREA / ISSUE

Attend to any Industry Compulsory Registrations, Licences, etc (e.g. Professional Bodies, Industry Registrations, Migration Visas).

COMMENTS

This is a matter to be determined and addressed by the Client based on their own knowledge of the Business they intend to enter.

URGENCY

High

☐ Done☐ Not Required

NOTES

2.4

AREA / ISSUE

Determine Due Date for Lodgement (and Payment if required) of first Income Tax Return.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Low

☐ Done☐ Not Required

NOTES

2.5

AREA / ISSUE

If Registered for GST, Determine Due Date for Lodgement (& payment if required) of first Business Activity Statement (BAS).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

2.6

AREA / ISSUE

If Registered for GST, Design "Tax Invoice".

COMMENTS

CapitalQ can provide advice regarding requirements and to provide a template if required. Tax Invoice should be designed (at least an initial compliant version) prior to issue of first invoice to a customer or client.

URGENCY

High

☐ Done

☐ Not Required

NOTES

2.7

AREA / ISSUE

If Registered for PAYGW, Determine Due Date for Lodgement (& payment) of first Instalment Activity Statement ("IAS") (may be combined with BAS above).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

2.8

AREA / ISSUE

If Registered for PAYGW, Determine Due Date for lodgement of first Payment Summary Statement and issue of first Payment Summaries to Employee(s).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐ Done

☐ Not Required

NOTES

2.9

AREA / ISSUE

If Registered for FBT, Determine Due Date for Lodgement (and Payment if required) of first Fringe Benefits Tax Return.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

3

Financial Reporting And Compliance Obligations

3.1

AREA / ISSUE

Determine financial reporting obligations including application of accounting standards.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

3.2

AREA / ISSUE

Determine Due Date for Preparation and / or Lodgement of Financial Statements and other financial reporting obligations.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

3.3

AREA / ISSUE

If one or more Companies exist within the Business Structure determine Due Date for Preparation and Lodgement of the Annual Company Statement(s).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

☐ Done

☐ Not Required

NOTES

3.4

AREA / ISSUE

Determine requirement to have financial statements audited.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done

☐ Not Required

NOTES

3.5 **AREA / ISSUE**
Determine obligations regarding maintenance of business Registers (Company Register, Trust Minute Book, Partnership Minute Book).

COMMENTS
CapitalQ can advise based on Client circumstances and requirements.

☐ Done ☐ Not Required

NOTES

3.6 **AREA / ISSUE**
Determine obligations regarding other ASIC reporting and the management of the process.

COMMENTS
CapitalQ can advise based on Client circumstances and requirements.

☐ Done ☐ Not Required

NOTES

4 Insurance Protection

4.1 **AREA / ISSUE**
Workers Compensation Insurance.

COMMENTS
CapitalQ can provide general advice in this regard and can recommend a qualified insurance broker to address if required.

URGENCY
High
☐ ☐

NOTES

4.2 **AREA / ISSUE**
Public Liability Insurance.

COMMENTS
CapitalQ can provide general advice in this regard and can recommend a qualified insurance broker to address if required.

URGENCY
High
☐ Done ☐ Not Required

4.3 **AREA / ISSUE**
Professional Indemnity Insurance (if Applicable).

COMMENTS
CapitalQ can recommend a qualified insurance broker to address if required.

URGENCY
Optional
☐ Done ☐ Not Required

NOTES

4.4 **AREA / ISSUE**
Directors / Officers Liability Insurance (if Required).

COMMENTS
CapitalQ can provide general advice in this regard and can recommend a qualified insurance broker to address if required.

URGENCY
Optional
☐ Done ☐ Not Required

NOTES

4.5

AREA / ISSUE

Contents / Fire / Glass / Insurance.

COMMENTS

CapitalQ can recommend a qualified insurance broker to address if required.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

4.6

AREA / ISSUE

Business Interruption Insurance.

COMMENTS

CapitalQ can recommend a qualified insurance broker to address if required.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

4.7

AREA / ISSUE

Key Man Insurance

COMMENTS

CapitalQ can provide general advice in this regard and can recommend a qualified insurance broker to address if required.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

4.8

AREA / ISSUE

Other Insurances.

COMMENTS

CapitalQ can recommend a qualified insurance broker to address if required.

URGENCY

Optional

☐ Done☐ Not Required

NOTES

5

Employment Matters

5.1

AREA / ISSUE

Ensure Awareness of Obligations Under The Fair Work Act 2009 (Including Modern Awards and the National Employment Standards ("NES")) and Implement Required Workplace Policies.

COMMENTS

CapitalQ can provide basic assistance and / or recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

High

☐ Done☐ Not Required

NOTES

5.2

AREA / ISSUE

Ensure Awareness of Obligations Under the Occupational Safety and Health Act 1984 and Implement Required WHS Policies and Procedures.

COMMENTS

CapitalQ can provide basic assistance and / or recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

High

☐ Done☐ Not Required

NOTES

5.3

AREA / ISSUE

Implement Workers Compensation Insurance Policy (See Insurances Section Above).

COMMENTS

CapitalQ can provide general advice in this regard and can recommend a qualified insurance broker to address if required.

URGENCY

High

☐☐

NOTES

5.4

AREA / ISSUE

Define Hiring Process and Ensure Awareness of the Impact of Legislation on the Recruitment Process.

COMMENTS

CapitalQ can provide basic assistance and / or recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

Moderate

☐ Done☐ Not Required

NOTES

5.5

AREA / ISSUE

Prepare Detailed Position (Job) Descriptions.

COMMENTS

CapitalQ can provide basic assistance and / or recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

Moderate

☐

Done

☐

Not Required

NOTES

5.6

AREA / ISSUE

Implement Formal Employment Agreements to be Executed by Successful Employees (Ensure Complies with Modern Award if Applicable) or Identify Applicable Award(s) and prepare Employment Letter referencing Award application and entitlements.

COMMENTS

CapitalQ can assist in the preparation of compliant Employment Agreements including engaging solicitors on your behalf for legal document preparation. We can also recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.7

AREA / ISSUE

Select Default Superannuation Fund for Employee Contributions.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.8

AREA / ISSUE

Upon offer and acceptance by first Employee(s) obtain Employee Personal Details in appropriate form (including Emergency Contact Details).

COMMENTS

CapitalQ can provide basic assistance and / or recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.9

AREA / ISSUE

Obtain executed Employment Contract.

☐

Done

☐

Not Required

NOTES

5.10

AREA / ISSUE

Obtain Completed Tax File Number Declaration from Employee.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.11

AREA / ISSUE

Obtain Completed Superannuation Choice Form from Employee.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.12

AREA / ISSUE

Provide Fair Work Information Statement to Employee.

COMMENTS

Available from Fair Work Australia.

URGENCY

High

☐

Done

☐

Not Required

NOTES

5.13

AREA / ISSUE

Where you are offering Salary Sacrifice arrangements to Employees prepare Salary Sacrifice Agreements (prior to provision of any benefits).

COMMENTS

CapitalQ can assist in the preparation of compliant Employment Agreements including engaging solicitors on your behalf for legal document preparation. We can also recommend software systems that assist in this regard as well as recommend a qualified HR consultant if required.

☐ Done ☐ Not Required

NOTES

5.14

AREA / ISSUE

If Registered for FBT, Arrange Necessary Compliance Documentation (ie. Motor Vehicle Log Books, Salary Sacrifice Agreements (including Superannuation Sacrifice), Etc).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐ Done ☐ Not Required

NOTES

6 Banking

6.1

AREA / ISSUE

Open Bank "Trading" Accounts (in correct ownership structure).

COMMENTS

Client to arrange, CapitalQ to provide necessary documentation, but can only be done once structure established.

URGENCY

High

☐ Done ☐ Not Required

NOTES

6.2

AREA / ISSUE

Open Cash Management Account (for surplus cash and tax management).

COMMENTS

Client to arrange, CapitalQ to provide necessary documentation, but can only be done once structure established.

URGENCY

Low

☐ Done ☐ Not Required

NOTES

6.3

AREA / ISSUE

Establish Credit Card facilities.

COMMENTS

Client to arrange, CapitalQ to provide necessary documentation, but can only be done once structure established.

URGENCY

Low

☐ Done ☐ Not Required

NOTES

6.4

AREA / ISSUE

Establish finance facilities.

COMMENTS

As for 6.1 though should be done in conjunction with 7.7 regarding initial budgets and cash flow forecasts.

URGENCY

Low

☐ Done ☐ Not Required

NOTES

6.5

AREA / ISSUE
Establish BPAY facility.

COMMENTS
Client to arrange, CapitalQ to provide necessary documentation, but can only be done once structure established.

URGENCY
High

☐ Done ☐ Not Required

NOTES

6.6

AREA / ISSUE
Establish Merchant facility (including online merchant).

COMMENTS
Client to arrange, CapitalQ to provide necessary documentation, but can only be done once structure established.

URGENCY
Low

☐ Done ☐ Not Required

NOTES

7 Accounting System Setup

7.1

AREA / ISSUE
Select Accounting System.

COMMENTS
CapitalQ can advise based on Client circumstances and requirements.

☐ Done ☐ Not Required

NOTES

7.2

AREA / ISSUE
Attend to Initial Setup of Accounting System .

COMMENTS
We highly recommend allowing CapitalQ to undertake the initial set up so that it is right (and most importantly useful) from the beginning. The costs (direct and indirect) can be substantial if it is not done right first.

URGENCY
High

☐ Done ☐ Not Required

NOTES

7.3

AREA / ISSUE
Design Chart of Accounts (including Default tax Codes) for Accounting System.

COMMENTS
We highly recommend allowing CapitalQ to undertake the initial set up so that it is right (and most importantly useful) from the beginning. The costs (direct and indirect) can be substantial if it is not done right first.

URGENCY
Moderate

☐ Done ☐ Not Required

NOTES

7.4

AREA / ISSUE
Attend to Report design within Accounting System.

COMMENTS
We highly recommend allowing CapitalQ to undertake the initial set up so that it is right (and most importantly useful) from the beginning. The costs (direct and indirect) can be substantial if it is not done right first.

☐ Done ☐ Not Required

NOTES

7.5

AREA / ISSUE

Prepare Initial Detailed Operating Budget & Cash Flow Forecasts and Enter into Accounting System (or otherwise as required).

COMMENTS

As for 7.1 (Many businesses try to ignore doing this, but without it the chances of cash flow and profitability issues arising are almost certain!).

URGENCY

High

☐ Done ☐ Not Required

NOTES

7.9

AREA / ISSUE

Arrange Initial Training for Relevant Staff in relation to the management of the finances and the accounting aspect of the business.

COMMENTS

CapitalQ can assist based on Client circumstances and requirements.

URGENCY

High

☐ Done ☐ Not Required

NOTES

7.6

AREA / ISSUE

Setup Payroll System in Accounting System (or otherwise as required).

COMMENTS

As for 7.1 (This is a high priority as it is very difficult, if not impossible, to comply with your employment obligations without a proper payroll system in place from the outset. Employees should not be paid until the payroll system is established!).

URGENCY

High

☐ Done ☐ Not Required

NOTES

7.10

AREA / ISSUE

Establish Key Performance Indicators (KPI's).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done ☐ Not Required

NOTES

7.7

AREA / ISSUE

Create Fixed Asset Register in Accounting System (or otherwise as required).

COMMENTS

We highly recommend allowing CapitalQ to undertake the initial set up so that it is right (and most importantly useful) from the beginning. The costs (direct and indirect) can be substantial if it is not done right first.

URGENCY

Moderate

☐ Done ☐ Not Required

NOTES

7.11

AREA / ISSUE

Determine on Frequency of Management Reports.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done ☐ Not Required

NOTES

7.8

AREA / ISSUE

Determine Accounting and Record Keeping Responsibilities (See below for further details...).

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

High

☐ Done ☐ Not Required

NOTES

7.12

AREA / ISSUE

Establish Schedule and Agenda for regular Board/Management Meetings.

COMMENTS

CapitalQ can advise based on Client circumstances and requirements.

URGENCY

Moderate

☐ Done ☐ Not Required

NOTES

8

Agree on Accounting Responsibilities (Who is responsible for...)

8.1

AREA / ISSUE

Issuing of Invoices including entering into accounting system.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.2

AREA / ISSUE

Data entry for receipts (customer payments).

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.3

AREA / ISSUE

Recording and classification of accounts payables and other expenses.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.4

AREA / ISSUE

Payment of accounts payables.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.5

AREA / ISSUE

Data entry of outgoings (supplier payments).

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.6

AREA / ISSUE

Bank reconciliations.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.7

AREA / ISSUE

Follow up of outstanding Debtors.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

8.8

AREA / ISSUE

Business Activity Statements (BAS's) preparation and lodgement.

COMMENTS

CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY

High

☐

Done

☐

Not Required

NOTES

9 Tax Planning

8.9

AREA / ISSUE
Payroll processing (and payment of Net Wages).

COMMENTS
CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY
High

NOTES

☐ Done ☐ Not Required

8.10

AREA / ISSUE
Payroll Tax Returns preparation and lodgement.

COMMENTS
CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY
High

NOTES

☐ Done ☐ Not Required

8.11

AREA / ISSUE
Payment of Employee PAYGW Tax.

COMMENTS
CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY
High

NOTES

☐ Done ☐ Not Required

8.12

AREA / ISSUE
Payment of Employee Superannuation.

COMMENTS
CapitalQ can undertake as much or as little of these items for you as you like.

URGENCY
High

NOTES

☐ Done ☐ Not Required

9.1

AREA / ISSUE
Arrange reviews and planning meeting in May each year.

COMMENTS
CapitalQ can advise based on Client circumstances and requirements.

URGENCY
Low

NOTES

☐ Done ☐ Not Required

9.2

AREA / ISSUE
If Discretionary Trust(s) included in structure, arrange for preparation and execution of Trust Distribution Resolution each year before 30 June.

COMMENTS
CapitalQ can advise based on Client circumstances and requirements.

URGENCY
Low

NOTES

☐ Done ☐ Not Required

10 What's not on the Checklist?

You will notice a few items you might otherwise expect to see included on such a list which are in fact not included. Some brief commentary regarding each is provided below.

A "Business Plan" – You hear a lot about them and they can play a significant role, but our experience is very few people actually take the time and effort to prepare a Business Plan and when they do, often people find their original plans don't survive the first interaction with a customer! If you have the resources to invest the time and money to prepare a genuine Business Plan we recommend you do and we can help extensively if you so desire, however we are realistic, we know most are not in a position to do so. Contact us to discuss the pros and cons of a Business Plan, what should be included if you do decide to prepare one and what the likely time and financial investment will be.

Conduct a "Due Diligence" (when buying an existing business) – If you are buying an existing business this is an absolute must and should be undertaken prior to your Contract to Buy becoming unconditional (which in itself should be signed within the correct structure and therefore being after completion of items 1.1 and 1.2). A Due Diligence provides comfort to you that what the Seller told you about their Business, and hence the information you used to basis your buying decision upon, is true! There are options available regarding how a Due Diligence is conducted and its extent, so talk to us before it is too late.

Undertake a "Finance Application" (to obtain funding to acquire an existing business and / or to provide working capital) – We refer to establishing finance facilities at 6.4, though if you are looking to borrow a substantial amount from a bank in order to fund your new venture the process can be substantial and should be undertaken in a considered, systemized approach to give you the best chance of success. Getting money out of banks for business purposes is not easy at present (despite the advertisements to the contrary) and if you fail to present a compelling case in the first instance, you risk ruining your chances altogether. Of course any application for finance should be undertaken within the correct structure and therefore after completion of items 1.1 and 1.2.

Disclaimer

Disclaimer: This New Business Checklist is designed to bring to the attention of our Clients some of the key asset ownership, asset protection, taxation, financial reporting, insurance, employment, banking and accounting and record keeping issues, considerations and obligations when commencing a business. The New Business Checklist is not an exhaustive list of all matters that must be considered and/or addressed when a new business is commenced. Further, the New Business Checklist does not contain specific advice and /or recommendations regarding any particular issue and should not be relied upon in the absence of tailored advice from CapitalQ Chartered Accountants. In the absence of tailored advice from CapitalQ Chartered Accountants, new business owners should make all necessary investigations of their own, to ensure all required actions are taken to properly and legitimately commence and operate any business venture.