

ACCE FAQ

Q: What is ACCE ?

The Association of Chinese Canadian Entrepreneurs (ACCE), formerly known as "Chinese Canadian Entrepreneur Club", is a not-for-profit organization incorporated in 1994. In 1995, the Association signed a letter of co-operation with the Centre of Entrepreneurship of Centennial College to foster entrepreneurship training.

Since 1992, ACCE has been organizing various seminars for business people and entrepreneurs. In 1997, in association with Centennial College , Ministry of Economic Development and Trade, PricewaterhouseCoopers (formerly known as Coopers & Lybrand) and Ming Pao Daily News, we held the first Chinese Canadian Entrepreneur Awards.

Our mission is to encourage entrepreneurship and to strengthen the competitiveness of Chinese Canadian business in the global market. It is also our objective to assist Chinese Canadians in developing new businesses by sharing their expertise through quality training and mutual support. Our processes include providing a network for members to share resources, organizing seminars, workshops, conferences and other special programs on relevant business topics, and facilitating communication between government and new businesses. A new initiative is to assist entrepreneurs in exploring and developing the trade potential (in the Asian Pacific Region) for Canadian goods and services.

As a not-for-profit organization with ambitious goals, we need continued support from our members and the Chinese business community as well as assistance from our friends in the Canadian business environment.

Q: What does ACCE do?

Mission Statement

- To promote entrepreneurship in the Chinese Canadian community and to strengthen the competitiveness of Chinese-Canadian businesses in the global market
- To recognize the contribution of Chinese-Canadian entrepreneurs
- To encourage new business start-up
- To promote social responsibility in entrepreneurs

Q: What are the members benefits?

Member Benefits

Joining ACCE not only connects you to a prestigious organization with vibrant and successful members, but also provides a springboard for you to network with many other Chinese and Mainstream associations.

Education Activities

ACCE helps members to continue their professional development through seminars, business forums,

symposiums, mentorship programs and classes organized by ACCE or in partnership with other associations, organizations, institutions and government bodies.

Social / Networking Activities

Our various seasonal programs and social gatherings provide members with entertaining and enjoyable gatherings where they can socialize while expanding their business networks and increasing their business exposure. For those who have missed some of our exciting events, *Entrepreneurs News*, published periodically by ACCE, keeps members up-to-date and informed on the association's news, activities and development.

Members also receive special discounts for advertising on ACCE's website and publications, as well as special offers on products and services from other members.

Q: What are criteria for membership ?

Membership Information

1. Individual membership:

Fees:

One time membership fee \$100.00 + HST per qualified person.

Qualification:

Individuals who are interested in furthering the objectives of the Association.

Membership Privileges and Conditions:

- Notification of events organized by the Association and other organizations.
- Regular communications and Newsletters from the Association.
- Enrollment in functions and events organized by the Association at reduced fees.
- Voting right at annual general membership meetings of the Association (one vote per individual member).
- Other benefits as offered by our members, partner associations and sponsors at their discretion.

2. Corporate membership:

Fees:

One time registration fee \$300.00 + HST per qualified corporation

Qualification:

Corporations that are interested in furthering the objectives of the Association.

Membership Privileges and Conditions:

- Business card sized advertisements in two issues of ACCE publications per year.
- Notification of events organized by the Association and other organizations.
- Regular communications and Newsletters from the Association.

- Enrollment in functions and events organized by the Association at reduced fees.
- Voting right at annual general membership meetings of the Association (one vote per corporate member).
- Each corporate member may designate two representatives to receive membership benefits and participate in ACCE events.
- Other benefits as offered by our members, partner associations and sponsors at their discretion.

3. Student membership:

Fees:

One time registration fee is waived for qualified students. (Copy of Student ID required)

Qualification:

Full time university or college students who are interested in furthering the objectives of the Association, and willing to contribute time and be actively involved in the activities of the Association.

Membership Privileges and Conditions:

- Notification of events organized by the Association and other organizations.
- Regular communications and Newsletters from the Association.
- Enrollment in functions and events organized by the Association at reduced fees.
- Other benefits as offered by our members, partner associations and sponsors at their discretion.
- Student Membership expires on the earlier of the date of graduation from university or college, or five years from the membership registration date, whichever is earlier.

Q: What are the membership fees?

- Individual Membership : One time registration fee \$100.00 + HST per qualified person
- Corporate Membership : One time registration fee \$300.00 + HST per qualified person
- Student Membership : Registration fee is waived for qualified students, till their graduation from university or college or five years from the membership registration date, whichever the earlier. (Copy of Student ID required)

Q: What is ACCE Lifetime Membership?

By completing the one time registration procedure and paying the one time registration fee, ACCE members can enjoy the ACCE membership benefits for the rest of their lives.

Q: How to become a member ?

- Fill out the application form and submit it by mail or online.
- Pay the membership fee corresponding to the membership type
- Provide Student ID for student membership application

Successful applicants will receive notice of approval of their application from the ACCE Board.

ACCE General FAQ

[Disclaimer: The following information is not intended to replace professional advice. The answers provided below may not apply to every situation or scenario. ACCE recommends that you always seek the assistance of qualified professionals in the operation of your business. While all reasonable efforts are made to keep the following information accurate and up-to-date, ACCE disclaims any and all legal liability in connection with the use of this information.]

Q: Do I need to register to do import business?

You need to register for a Business Number with Import/Export account with Canada Revenue Agency (CRA). You can register for the number by contacting tax services offices by telephone, fax, mail, or in person.

Q: Do I need to complete any forms for exporting commercial goods?

You have to report almost all goods you export other than to the United States . Form B-13A, Export Declaration has to be completed. You have to keep a record of your exports for a period of six years.

Q: How taxes are paid on businesses?

A sole proprietorship pays taxes by reporting income or loss from business on a personal tax return on calendar year basis.

A partnership by itself does not pay income tax on its operating results and does not file an annual income tax return. Instead, each partner includes a share of the partnership income or loss on a personal, corporation, or trust income tax return.

A corporation must file a corporation income tax return within six months of the fiscal year-end.

Q: When I need to pay corporation tax installments?

Generally speaking, you need to pay federal corporation tax installments if the total tax owing of the preceding taxation year was more than \$1,000.

You need to pay Ontario corporation tax installments if the total tax owing of the preceding taxation year was more than \$2,000.

Interest will be charged on insufficient tax installments.

Q: When are the deadlines for filing Corporation tax returns and taxes balance?

Corporation tax returns have to be filed within six months after fiscal year end. However, if there is tax owing on filing tax returns, the tax owing has to be paid within three months after fiscal year end for corporations eligible for small business deduction. For large corporations and investment corporations, tax balance has to be paid within two months after fiscal year end.

Q: Is it better to lease or finance a car for my business? Why? What are the tax benefits?

Either leasing or buying a car can give you tax deductibility benefit as long as it is used for the operation of your business. When you buy a car, you can use depreciation, ie, capital cost allowance for tax deduction. When you lease a car, there is limitation for the amount of lease payment to be tax deductible. You may want to look at the related interest rates for cost comparison as well as cash flow requirement for your operating decision.

Q: When employers need to pay Employer Health Tax (EHT)?

Employers need to pay Employer Health Tax when the total gross payroll for a calendar year is more than \$400,000.

Q: Where can I get sample Business Plans?

There are many places where you can obtain samples. Each of the four Enterprise Toronto resource centres carries business plan guides. The internet provides an unlimited wealth of plans. Your local library and book stores should carry publications as well.

Q: Can I operate my business from home?

Many entrepreneurs start their businesses from home because it offers low-cost office space, as well as giving you the freedom and flexibility to work the hours you want. Whether you choose to do this or not depends on your business. If you're operating dangerous equipment or doing things that conflict with residential zoning laws, you'll have to locate your business in a commercial or industrial area.

Q: What government financing is available for a business?

There are several government financing programs for business targeted to specific industries, geographical areas or particular groups of entrepreneurs. Almost all of these financing programs consist of loans. There are very few grants available, but they do exist for certain groups and industry sectors. For information on government financing programs for business contact the Canada-Ontario Business Service Centre (COBSC) at 1 (800) 567-2345 or visit their web site: www.cbosc.org/ontario. You can also visit Industry Canada 's web site Strategis for sources of financing at <http://strategis.ic.gc.ca/sources>.

Q: How many types of business that I can start?

There are three types of businesses: sole proprietorships, partnerships and corporations.

Q: What is the difference between a partnership and a joint venture?

A joint venture is not considered a "legal person" for registration purposes, whereas a partnership is. Therefore, a partnership can have a BN; a joint venture cannot. A joint venture is limited in scope; a partnership is generally an ongoing business relationship that exists between persons carrying on common business.

Q: How do I get background information on a specific company?

You can contact Ontario Ministry of Consumer and Business Services, Companies Branch - company registration / profile at 416-314-8880, Toll free (Ontario) 800-361-3223.

\$12 fee for a company profile by mail. Profile includes the company address; date established; officers and directors; their home addresses.

\$40-\$50 fee for the same profile electronically.

Q: What government programs are available to help establish and operate a business?

You can contact

Canada Ontario Business Service Centre

www.cbosc.org/ontario

Tel: 416-954-4636

provides excellent business assistance by telephone

Enterprise Toronto Business Self-help Centres:

www.enterprisetoronto.com

City Hall 416-392-6646

North York 416-395-7434

Scarborough 416-396-7169

Greater Toronto Marketing Alliance

www.greater.toronto.on.ca

Phone: 416-360-7320

Markham Small Business Centre

7271 Warden Avenue

Markham, ON L3R 5X5

Tel: 905-477-7000 ext. 3883

<http://msbec.markham.ca/>

Q: How do I obtain market research for a specific country and/or product /service?

The International Marketing Consultants at Ontario Exports Inc. can provide valuable and comprehensive information sources on international trade, economic information and market research from a variety of domestic and foreign sources.

For more information please contact:

Trade.officer@edt.gov.on.ca

Tel: (416) 314-8200

Fax: (416) 314-8222

Q: What is the difference between a BN and a BIN?

The Business Number (BN) is a 9-digit federal client identification number to which businesses can register program accounts. This number should be used when communicating with the Canada

Revenue Agency (CRA) about accounts you have or wish to create. For example, if you would like to discuss your GST/HST account or you would like to create a payroll account, you should quote your existing BN.

The Business Identification Number (BIN) is also a 9-digit number used by the Ontario government to identify provincial business accounts. It also appears on the Ontario Master Business License and should be used for communications with the Ontario government about your business.

Q: Once my business name is registered, am I registered across Canada ?

No. Your business name is registered only in Ontario . If you are interested in doing business in other provinces, you need to register in those provinces.

Q: Do I have to carry workers compensation?

Most businesses who employ workers, even on a casual basis, must register with the Workers Compensation Board and provide coverage for their workers.

Q: Must employees produce a doctor's note if asked for one by their employer?

Under Employment Standards Act, an employer is allowed to ask an employee to provide evidence that he or she is eligible for an emergency leave of absence. The employee is required to provide evidence that is reasonable in the circumstances.

Q: What does the law say about coffee breaks?

An employee must not work for more than five hours in a row without getting a 30-minute eating period (meal break) free from work. The law does not require an employer to provide any breaks in addition to this eating period. However, if the employer does provide another type of a break, such as a coffee break, and the employee must remain at his or her workplace during the break, the employee must be paid at least the minimum wage for that time.

Q: Do I need to see employees' Social Insurance (SIN) card?

As an employer, you must ask to see the SIN card of all new employees when they are hired, and the employee must show it to you within three days following the start date of employment.

Q: What is an entrepreneur and why are they important?

An entrepreneur is a person who organizes a business undertaking, assuming the risk and seeking a return on the efforts made.

They are important because while they assume the risks, they deliver necessary goods and services, create employment and generate business activities for government revenues. The practice of social responsibility by entrepreneurs has also become a driving force for a better community.

Q: How do I become a successful entrepreneur?

Choosing to be an entrepreneur is a lifestyle decision. It could happen by design or by situational inducement. A strong sense of wanting to be in control of one's life is usually an important reason for a person wanting to be an entrepreneur, in addition to making a living or a profit.

The business of any successful entrepreneur usually undergoes continuous improvement including various stages of struggles and triumphs. The traits of a successful entrepreneur can include:

1. Hard working
2. Innovative
3. Discipline
4. Perseverance
5. People-oriented
6. Market-savvy
7. Ability to learn
8. Quick to adapt to changes
9. Curiosity
10. Rise to challenges
11. Integrity
12. Fair-minded
13. Decisive

Q: What is the best way to start a business?

There is no single way that works for everyone. Each one of us has our own unique path.

While expecting to make a living or a profit, some people find working for others first is a good way to learn from the other people and minimize the risks.

Other people may want to have partners to share the capital requirements, workload and have a bigger pool of expertise and experience. Some start to be entrepreneurs while they are students and explore the unknown.

There are many different examples of successful business startup. You need to evaluate and seek feedback while you try, explore and change as you proceed.

Q: Where do I find capital for my business?

The sources of capital can include:

1. Money from yourself, business partners or other shareholders
2. Loans from friends and relatives
3. Business loans from banks or credit unions
4. Managing your working capital like credits from suppliers, shorter terms of credits to customers and keeping purchased inventory low
5. Government assistance programs
6. Venture Capital and private investors “Angels”

Q: What is the government's Canada Small Business Financing Program?

This is a program provided by the Government of Canada to assist small businesses to get loans from financial institutions by sharing the risk with lenders.

On average, the program helps small businesses access 10,000 loans worth more than \$ 1 billion each year.

Q: Who can apply for the Canada Small Business Financing Program and what items are covered in this program?

To be eligible, you have to be a small business operating for profit in Canada, with gross annual revenues of \$ 5 million or less. The loan amount is up to a maximum of \$ 500,000 for any one business, of which no more than \$350,000 can be used for purchasing leasehold improvements or improving leased property and purchasing or improving new or used equipment.

Q: What are the terms of the financing for the Canada Small Business Financing Program?

Lenders require a security interest in the assets financed. Lenders also have the option to take an additional unsecured personal guarantee, which cannot exceed 25 % of the total amount loaned.

Q: What is the purpose of a business plan?

A business plan has two purposes:

- i) It is a road map to guide your business. It is for the planning and control for yourself as the owner;
- ii) It assist the outside investors or financiers like a bank when they consider extending a loan to or an investment in your business.

It is a good tool to have, either in writing or in your mind, to materialize the vision of your business.

Q: Do I need a HST registration number?

A business requires a HST number if it sells taxable goods or services. A HST number becomes mandatory once your revenues exceed \$30,000. However, if your revenues are less than \$30,000, obtaining a HST number is voluntary. You can register for your HST (Business Number - BN) by calling: Canada Revenue Agency at 1-800-959-5525