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A Business Health Check for the New Year

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Over the past few weeks many of us will have taken some time to pour ourselves a glass of wine and think about where we are personally as we start 2018. We have made lists of personal priorities and goals for the coming year to ensure we are putting our best foot forward: drinking more water, eating more greens, hitting the gym, finally making that doctors appointment.

We take the opportunity of the New Year to think about our personal health and well-being, but I suspect few of us have taken the time to engage in the same level of reflection about our businesses. Most of us have arrived back at the office to find full email inboxes and a list of ongoing priority items carried over from last year that will occupy our time. We have jumped back into doing the work of running our businesses, without reflecting on how to ensure our businesses are in good health going forward.

I suggest that business owners take a few minutes as 2018 begins to think about the overall health of their business.

This involves considering those “to do” items that are important but not urgent. We all have that list of items on the “someday” list - the ones that we know we need to think about at some point, but that sit on the corner of our desks while we focus on items that can't wait or that are just more interesting. While these items aren't glamorous or (let's face it) particularly exciting, they are important to the health of your business and, if ignored, can create problems.

We suggest setting aside a few minutes to think about the health of your business and whether you have the framework in place to prevent problematic issues going forward.

Here are some things to consider as part of your New Year business health check:

1. Are the key client and supplier relationships that are important to your business set-out in valid contracts?
2. Do you have written employment contracts with your employees? Are they sufficient to protect your business?
3. Is your business operating in compliance with the laws that are applicable to most businesses? For example: Do you have a privacy policy in place that reflects the requirements of PIPEDA? Are you operating in compliance with Canadian anti-spam legislation?
4. Have any laws impacting your business changed recently? Do the changes to the *Employment Standards Act* (Ontario) impact your business?



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5. If your business is incorporated, are you in compliance with the legal requirements applicable to corporations? Have you held an annual meeting or passed annual resolutions? If you are operating under a name other than the legal corporate name is it registered under the Business Names Act?
6. Are you collecting and remitting HST appropriately and on schedule?

It is fair to say that review of the above will likely not be the most exciting part of your year; however, these are issues on which “an ounce of prevention is worth a pound of cure” and addressing them proactively is one of the most effective ways to ensure your business is in good health for 2018 and going forward.

Megan Wallace is a lawyer in the Business Law Group at Perley-Robertson, Hill & McDougall and is called to the Bars of both Ontario and Alberta. She works with a variety of clients ranging from corporations that operate across Canada to local family-owned businesses. She assists her business clients on a range of issues, including incorporations, mergers and acquisitions, financings and review of key agreements. Megan was also a 2017 Forty Under 40 recipient.

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