

97% of businesses
in NB have fewer
than 50
employees

IS A HOME-BASED BUSINESS RIGHT FOR YOU?

HAVE A GREAT BUSINESS IDEA BUT WANT TO LAUNCH YOUR BUSINESS WITH THE LEAST INVESTMENT POSSIBLE, THEN CONSIDER SETTING UP A HOME OFFICE RATHER THAN A COMMERCIAL SPACE.

Working from home makes a lot of sense when you are launching a business and have limited startup funds. In addition to saving money on operating expenses like rent and utilities, you will save on travel costs and receptionist expenses. You may even be able to take a tax deduction equal to the percentage of your home that's used as Business Central.

Small businesses with fewer than 50 employees, including businesses with no employees, represent 97 per cent of the total business establishments in New Brunswick. The 37% of businesses who have no permanent employees may have contract workers and family members in addition to the owner. So it stands to reason that home-based businesses might just work for you.

But before you jump in, let's take a look at the advantages and disadvantages of owning a home-based business to see if it is the right path for you.

The Advantages of a Home-Based Business

While being able to wear anything you want when you work is certainly nice, there are many other advantages to owning a home-based business.

You can:

- Create a flexible work schedule
- Control your work environment
- Deduct a portion of your home expenses on your income taxes
- Create a sense of independence
- Reduce your overhead expenses
- Focus on doing what you enjoy the most.
- More easily balance work and personal responsibilities

Many home-based business owners also cite that the ability to take complete ownership over their home-based business leads to greater levels of fulfillment and satisfaction.

The Disadvantages of a Home-Based Business

Now that we've considered some of the perks of having a home-based business, time to flip the coin and look at some of the disadvantages:

- It can be difficult to turn work "off" when your workspace and personal space are intertwined.
- You are the cook and bottle washer so prioritizing can become a stressor
- Working from home can be very isolating.
- Home-based businesses can cause stress on the entire family.
- It can be difficult to grow your business.
- There may be a number of zoning regulations you need to explore before getting started.

It can also take longer to turn a profit in a home-based business when you are the sole person responsible for generating income.



NBAPC EQUITY FUND INC.

Seeking to fund small/medium start-up businesses and/or current business projects

IF YOU:

- Reside in New Brunswick or PEI
- Have an exciting business idea
- Are 18 years of age or older

**The NBAPC
Equity Fund is an
opportunity for You**

If yes, call Leslie Reid, Economic
Development Officer at
506-458-8422

Priority given to members of
NBAPC and NCPEI

A 10-point checklist to determine if a home-based business is right for you

It takes a certain kind of personality with certain character traits to be successful as a home-based business owner. But figuring out if you have what it takes can be a challenge. Here are some general truths that are often found with successful home-based business owners.

Review the statements below, answering YES or NO, if this is you

Yes

No

| | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
|---|-------------------------------------|------------------------------------|
| You have a business idea that is suited for at-home work. | | |
| You've researched local zoning laws and regulations. | | |
| You can create a workspace separate from your living space. | | |
| Your home can accommodate the equipment you need. | | |
| Your family is on board. | | |
| You have a plan for avoiding feelings of isolation. | | |
| You're organized. | | |
| You are disciplined and have great time management skills. | | |
| You have drive, determination and confidence. | | |
| You've evaluated the risk and you're ready to take it. | | |

If many of these statements aren't true for you, go back to the planning stage and see if there is more research and preparation you can do to position yourself for greater success. If most of these statements are true, then a home-based business may be the right step for you.

Leslie Reid
Economic Development Officer
Equity Fund Inc.