

METRO
BUSINESS
OPPORTUNITIES

Business Plan

Getting Started

There are many ways to start a small business but each approach shares common elements you need to consider.

Time

How much time do you have to develop your business idea? By allowing yourself enough time, you will likely avoid mistakes that could prove costly.

Money

How much money is at your disposal? Most entrepreneurs discover their businesses require more capital than originally anticipated. The need for adequate financing varies from business to business. You should ensure that you have access to enough money to allow for all possible contingencies so that you don't have cash flow problems or miss opportunities.

Expertise

Do you have the knowledge and skills required to make a success of this business? If not, it may be worthwhile to take some courses or work in the industry until you gain the knowledge you need.

Risk Tolerance

How much risk is involved? You need to honestly assess your personality and finances to determine how much risk you can tolerate. This may rule out some high-risk opportunities.

Financial Return

Can you make a living from this business? Some people go into business without a clear idea of just how profitable the venture will be. Take the time to determine if your business revenues will justify your effort and provide you with the income you need.

Enjoyment

Will you enjoy the business? This is a major consideration, especially since owning a small business is often difficult and involves long hours. There will be challenges and rough spots. You will need substantial commitment and self-sacrifice in the months that lie ahead.

Family Considerations

Will this new business adversely affect your family? Substantial sacrifices in time and money are required in the early stages of any business. You need to determine whether your savings or profits from the business will provide you and your family with an adequate standard of living especially in the early stages of the business. You will also need to find out how committed your family is to the business. For example, will they be able to cope with the extra hours needed to get a small business up and running?

Professional Guidance

Finally, getting started means starting out right. It is important to realize before you start out that there are many important decisions to be made involving legal and taxation issues, insurance, finance, bookkeeping and accounting, hiring employees, etc. These can often be complicated and difficult to address without specialized expertise. Consequently, you should consult professionals such as: lawyers, accountants, insurance brokers, professional or accredited financial planners, bankers and government agents to get the best possible advice and to avoid mistakes that may come back to haunt you later on.

Business Plan

A. Introduction

1. Name of Company: _____ Contact Number: _____

Name of Applicant: _____

(Please provide photo identification with your application)

2. Is this a new or existing business?

New Existing Date business established: _____

3. Type of Operation:

- | | |
|--|--|
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Wholesale/Retail |
| <input type="checkbox"/> Agriculture | <input type="checkbox"/> Construction |
| <input type="checkbox"/> Aquaculture / Fishing | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Mining |
| <input type="checkbox"/> Tourism | <input type="checkbox"/> Other (Specify) _____ |

4. Mailing Address: _____

Postal Code: _____

5. Telephone Numbers: Residence: _____ Cell: _____

Fax: _____ E-mail: _____

6. Proposed location of business: _____

7. Legal Form of Business:

- | | |
|---|--|
| <input type="checkbox"/> Incorporated | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Co-operative |
| <input type="checkbox"/> To be incorporated | |

8. Date Incorporated: _____

B. Ownership and Management

1. List of Directors/Shareholders/Key Staff: (Please attach detailed resumes)

Name	Position	Years in Business	Shares Held (%)

2. Explain the duties and responsibilities of management and key staff.

C. Financial / Legal / Technical

1.	Name:	Phone Number:
(a) Banker Line of Credit \$ _____	_____	_____
(b) Accountant	_____	_____
(c) Legal Advisor	_____	_____
(d) Insurance Co. / Agent	_____	_____
(e) Fiscal Year End	_____	_____

D. Project Description

1. Briefly describe your business:

2. List the estimated dates for the acquisition of equipment, inventory, staffing, financing, and other items needed before you can commence your project.

Item	Estimated date of acquisition

Date construction will begin: _____

Date operations will commence: _____

E. Financial

1. Use of Funds:

Land	\$ _____
Building	\$ _____
Equipment	\$ _____
Vehicles	\$ _____
Leasehold Improvements	\$ _____
Inventory	\$ _____
Working Capital	\$ _____
Miscellaneous	\$ _____
Total	\$ _____

Source of Funds:

CBDC	\$ _____
Bank/ Credit Union	\$ _____
Provincial Government	\$ _____
BDC	\$ _____
ACOA	\$ _____
Other:	\$ _____
Other:	\$ _____
Owner's Contribution	\$ _____
Total	\$ _____

Have you ever applied for or received previous assistance from the Federal or the Provincial government? If yes, please describe.

2. Have any of the assets contributed been pledged as security?

Yes No

If yes, to whom? For what purpose?

3. Will any part of the owner's contribution be borrowed?

Yes No

If yes, from whom? _____

Security given: _____

Terms: _____ Interest Rate: _____

4. Please answer the following questions

a. Have you ever been or are you in the process of applying for protection under the Bankruptcy Act?

Yes No

b. Have you ever been sued or been the subject of an originating notice?

Yes No

c. Are you presently the Guarantor for any loan?

Yes No

d. Are you or the business in tax arrears to CRA? (HST and Source Deductions)

Yes No

If you answered yes to any of the above, please provide details in the space provided

5. Provide quotations for the purchase price of any assets being considered as part of this financing request.

F. Market Summary

1. Product / Service

Applicants should list each service if more than one is provided. Provide as much detail as possible about the service. If a similar service exists in your trading area, describe any advantages your business may have (i.e. pricing, supply of raw materials, transportation, etc).

2. Is your business seasonal?

Yes

No

3. Hours of Operation: _____

4. Will the business be extending credit? At what terms?

5. Typical Customers

Who are your customers?

Age _____

Sex _____

Income Level _____

Will your clients be other businesses or the general public? If other businesses, name them. Do you have letters of intent? (Provide letters of intent where possible.)

6. Trading Area

Will all your business be generated within your local community or will your business draw customers from surrounding communities? Explain

7. Existing Business Competition

Who are your competitors, where are they located, and how long have they been in business? Strengths and Weaknesses?

8. Market Justification

Why do you feel the identified trading area can support your proposed project?

9. Advertising / Promotion

How do you propose to advertise your product/service? Identify the cost of doing so.

10. Basis of projection

Was this market information obtained from a similar type of operation, or on the basis of industry norms, or some other method? Explain.

G. Personnel Requirements

1. List details of new employment to be created.

Full Time _____ Part Time _____ Seasonal _____

2. If this is an existing business please list the details of existing employment.

Full-time _____

Part-time _____

3. Management

Identify the specific duties of key management personnel with regards to areas such as sales, marketing, bookkeeping, etc. List any previous experience which may be beneficial to this business.

IMPORTANT: Have you received the necessary permits or reviewed your submission with the appropriate regulatory agency(i.e. Department of Health, Fire Marshal, Municipal Development Department, Social Services, Forestry, Fisheries, Environment, Tourism, etc.)? Please provide copies of any permits required.

H. Financial Information (to be attached)

1. Historical Financial Statements:

Enclose statement for the last three years of operation

2. Pro-Forma Financial Statements:

a. **Balance Sheet** –Yearly for two years

b. **Income Statement** –Yearly for two years

c. **Statement of Cash Flow** – Projected on a monthly basis for the
1st two years of operations

d. **Sales necessary to break-even**

e. If sole proprietor please include your personal income tax notice of assessment for the past three years

I. Forecast Assumptions

Sales: (Explain how you arrived at sales figures: i.e. percentage of total market, number of units sold, selling price, sales by unit of time – week, month, year, etc.)

Material Costs: (Related directly to number of units sold)

Salaries / Wages and Benefits: (Please list owner’s salary/wage separately)

Other expenses: (State the basis for amounts shown in each of these expense categories and whether they are estimates or quoted costs. Ensure your interest and bank charges reflect the proposed debt included in your loan application.)

Other income: (Clearly explain any items in this area and state whether they are extraordinary or ongoing.)

Drawings / Taxes: (If the business is not incorporated, ensure you include the total amount of cash withdrawals by the proprietor or all partners. Also allow for taxes on profits earned.)

Prepare Cash Flow for 12-month period

Opening Balance	Month 1	Month 2	Month 3	Month 4
--------------------	------------	------------	------------	------------

SALES

1. Sales					
2. Other Revenues					
3. Total Sales					

RECEIPTS

CASH IN					
4. Cash Sales					
5. Receivables Collected					
6. Loan Proceeds					
7. Other Receipts					
8. Other Receipts					
9. Other Receipts					
10. Total Cash Receipts					

DISBURSEMENTS

CASH OUT					
11. Cost of Goods Sold					
12. Advertising					
13. Vehicle (include fuel, maintenance, lease)					
14. Office Supplies					
15. Bank Service Fees					
16. Insurance (liability, assets, vehicle)					
17. Professional Fees (legal, accounting, registry)					
18. Rent (premises, equipment)					
19. Taxes & Licences					
20. Telephone					
21. Utilities					
22. Wages - Employees					
23. Benefits - Employees					
24. Owners Drawings/Wages & Benefits					
25. Repayment of Term Debt (P&I)					
26. Purchase of Fixed Assets					
27. Repairs & Maintenance and Fuel					
28. Other					
29. Other					
30. Total Disbursements					

SUMMARY

31. Total Cash Receipts (line 10)					
32. Add: Cash Previous Month (Line 35)					
33. Equals: Total Cash Available					
34. Less: Total Disbursements (line 30)					
35. Equals: Closing Bank Balance					

Forecasted Income Statement - Opening

Income:

	\$	%
Sales	\$ _____	_____
Other Revenue	\$ _____	_____
TOTAL SALES	\$ _____	_____
LESS: Cost of Sales	\$ _____	_____
GROSS PROFIT		
(Total Sales - Cost of Sales)	\$ _____	_____

Expenses:

Advertising	\$ _____	_____
Vehicle	\$ _____	_____
Office Supplies	\$ _____	_____
Bank Service Fees	\$ _____	_____
Insurance	\$ _____	_____
Professional Fees	\$ _____	_____
Rent	\$ _____	_____
Taxes/ Licenses	\$ _____	_____
Telephone	\$ _____	_____
Utilities	\$ _____	_____
Wages/ Benefits	\$ _____	_____
Owner's Draw	\$ _____	_____
Interest on Debt	\$ _____	_____
Depreciation	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
TOTAL EXPENSES	\$ _____	_____

Net Profit (Loss) \$ _____
 (Gross Profit - Total Expenses)

Forecasted Income Statement - Year One

Income:

	\$	%
Sales	\$ _____	_____
Other Revenue	\$ _____	_____
TOTAL SALES	\$ _____	_____
LESS: Cost of Sales	\$ _____	_____
GROSS PROFIT		
(Total Sales – Cost of Sales)	\$ _____	_____

Expenses:

Advertising	\$ _____	_____
Vehicle	\$ _____	_____
Office Supplies	\$ _____	_____
Bank Service Fees	\$ _____	_____
Insurance	\$ _____	_____
Professional Fees	\$ _____	_____
Rent	\$ _____	_____
Taxes/ Licenses	\$ _____	_____
Telephone	\$ _____	_____
Utilities	\$ _____	_____
Wages/ Benefits	\$ _____	_____
Owner's Draw	\$ _____	_____
Interest on Debt	\$ _____	_____
Depreciation	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
TOTAL EXPENSES	\$ _____	_____

Net Profit (Loss) \$ _____
 (Gross Profit – Total Expenses)

Forecasted Income Statement - Year Two

Income:

	\$	%
Sales	\$ _____	_____
Other Revenue	\$ _____	_____
TOTAL SALES	\$ _____	_____
LESS: Cost of Sales	\$ _____	_____
GROSS PROFIT		
(Total Sales - Cost of Sales)	\$ _____	_____

Expenses:

Advertising	\$ _____	_____
Vehicle	\$ _____	_____
Office Supplies	\$ _____	_____
Bank Service Fees	\$ _____	_____
Insurance	\$ _____	_____
Professional Fees	\$ _____	_____
Rent	\$ _____	_____
Taxes/ Licenses	\$ _____	_____
Telephone	\$ _____	_____
Utilities	\$ _____	_____
Wages/ Benefits	\$ _____	_____
Owner's Draw	\$ _____	_____
Interest on Debt	\$ _____	_____
Depreciation	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
Other:	\$ _____	_____
TOTAL EXPENSES	\$ _____	_____

Net Profit (Loss) \$ _____
 (Gross Profit - Total Expenses)

Forecasted Balance Sheet - Opening

ASSETS:

CURRENT ASSETS:

Cash	\$ _____
Accounts Receivable	\$ _____
Inventory	\$ _____
Prepaid Expenses	\$ _____
Other Current Assets	\$ _____
TOTAL CURRENT ASSETS (A)	\$ _____

FIXED ASSETS:

Land	\$ _____
Building	\$ _____
Furniture/Fixtures	\$ _____
Vehicles	\$ _____
Equipment	\$ _____
Other Assets	\$ _____
TOTAL FIXED ASSETS (B)	\$ _____
TOTAL ASSETS (A+B)	\$ _____

LIABILITIES:

CURRENT LIABILITIES:

Bank Indebtedness	\$ _____
Accounts Payable & Accrued Liabilities	\$ _____
Income Tax Payable	\$ _____
Other Liabilities	\$ _____
TOTAL CURRENT LIABILITIES (C)	\$ _____

LONG TERM DEBT:

Mortgages	\$ _____
Loans from Shareholders	\$ _____
Other Long Term Debt	\$ _____
TOTAL LONG TERM DEBT (D)	\$ _____

TOTAL LIABILITIES (C+D) \$ _____

Shareholders / Owner's Equity..... (E) \$ _____

Total Liabilities + Shareholders / Owner's Equity.....(C+D+E) \$ _____

NOTE: (A+B) = (C+D+E)

Forecasted Balance Sheet – Year One

ASSETS:

CURRENT ASSETS:

Cash	\$ _____
Accounts Receivable	\$ _____
Inventory	\$ _____
Prepaid Expenses	\$ _____
Other Current Assets	\$ _____
TOTAL CURRENT ASSETS (A)	\$ _____

FIXED ASSETS:

Land	\$ _____
Building	\$ _____
Furniture/Fixtures	\$ _____
Vehicles	\$ _____
Equipment	\$ _____
Other Assets	\$ _____
TOTAL FIXED ASSETS (B)	\$ _____
TOTAL ASSETS (A+B)	\$ _____

LIABILITIES:

CURRENT LIABILITIES:

Bank Indebtedness	\$ _____
Accounts Payable & Accrued Liabilities	\$ _____
Income Tax Payable	\$ _____
Other Liabilities	\$ _____
TOTAL CURRENT LIABILITIES (C)	\$ _____

LONG TERM DEBT:

Mortgages	\$ _____
Loans from Shareholders	\$ _____
Other Long Term Debt	\$ _____
TOTAL LONG TERM DEBT (D)	\$ _____

TOTAL LIABILITIES (C+D) \$ _____

Shareholders / Owner's Equity..... (E) \$ _____

Total Liabilities + Shareholders / Owner's Equity.....(C+D+E) \$ _____

NOTE: (A+B) = (C+D+E)

Forecasted Balance Sheet – Year Two

ASSETS:

CURRENT ASSETS:

Cash	\$ _____
Accounts Receivable	\$ _____
Inventory	\$ _____
Prepaid Expenses	\$ _____
Other Current Assets	\$ _____
TOTAL CURRENT ASSETS (A)	\$ _____

FIXED ASSETS:

Land	\$ _____
Building	\$ _____
Furniture/Fixtures	\$ _____
Vehicles	\$ _____
Equipment	\$ _____
Other Assets	\$ _____
TOTAL FIXED ASSETS (B)	\$ _____
TOTAL ASSETS (A+B)	\$ _____

LIABILITIES:

CURRENT LIABILITIES:

Bank Indebtedness	\$ _____
Accounts Payable & Accrued Liabilities	\$ _____
Income Tax Payable	\$ _____
Other Liabilities	\$ _____
TOTAL CURRENT LIABILITIES (C)	\$ _____

LONG TERM DEBT:

Mortgages	\$ _____
Loans from Shareholders	\$ _____
Other Long Term Debt	\$ _____
TOTAL LONG TERM DEBT (D)	\$ _____

TOTAL LIABILITIES (C+D) \$ _____

Shareholders / Owner's Equity..... (E) \$ _____

Total Liabilities + Shareholders / Owner's Equity.....(C+D+E) \$ _____

NOTE: (A+B) = (C+D+E)

Security Offer

LAND				
Location				
Type of District				
Zoning				
Services				
Dimensions				
Purchase Price				
Date of Purchase				
BUILDING				
Type				
Dimensions (m.)				
Area (sq. m.)				
Basement				
No of Stories				
Most recent appraisal				
EQUIPMENT	Item No.	Quantity	Model #	Date of Purchase
OTHER				
Personal guarantee(s)				