
Business Name

Date

Owner's Name(s)

Address

Phone Number



Community Futures
Yellowhead East

January 2019

Business Plan Template & Workbook

What is a Business Plan

A business plan is a document that translates the thoughts and vision you have for your business from your head onto paper. If you write a business plan before you start your business it will help you determine if your business is likely to be viable, and will focus your efforts to improve your chances of success. If you are creating a plan for a business in progress, it will help guide your activities in business and provide you with a foundation to grow your business wisely. As you prepare your plan you will get the answers to key questions such as:

- Is my business viable?
- What are the strengths and weaknesses of my business?
- Who are my customers and how do I plan to get them to buy from me?
- Who are my competitors?
- What skills will I need to properly run this business?

Business plans are for YOU! They are very effective in making your business more successful and reduce the chances of failure. Developing a business plan will help you think out how you intend to reach your goals. Your business will have more focus and direction simply by having a plan. Business planning will help you assess your business idea and work out problems before they occur. That is why banks, investors, and lenders like Community Futures require them. Studies have proven that businesses with a business plan last longer and make more than those who don't

How do I use this Business Plan package?

Do not be dismayed by the size of this package. It may seem large, but it is designed to guide you through the creation of your business plan by turning it into a series of bite-sized pieces.

The first step is to complete the Business Model Canvas exercise with your business advisor. The information on this one-page visual plan will help you expand the information into a complete Business Plan suitable for submitting to potential investors.

Each section has several parts. Each part contains a list of questions and examples. Your business plan is made up of the answers to those questions. This business plan package has fill-in-the-blanks pages for each section.

In your first review of the business plan, answer the questions you know the answers to first. Skip any questions you don't know the answer to and make notes of what you'll need to research to complete them.

You may be asking where do I get the answers to the questions I don't know? The answer is market research. The answers to the questions are not supposed to be just guesses; they must be supported by facts. Sometimes, you may need to make educated guesses, because there are too many variables to know the outcome from the start, but you'll have to know how and why you came to the conclusions and calculations you use. If you have trouble finding the answers, your business advisor can help guide you to contacts and resources to answer them.

Remember this is a building blocks process, the information gathered for the Vision section of the plan will be turned into numbers in the Financial section of the plan. The Projected Cash Flow is your vision turned into numbers.

You do not have to use the fill-in-the-blanks format; you are free to use any format you wish. However, be sure that your plan covers the areas outlined in this package.

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YOUR PRODUCTS OR SERVICES

A product or service is a good you will sell or a service you will provide. Your business may focus on one type of product or service, or it may offer several different kinds. It is crucial that you have a clear understanding of the different kinds of products you offer (or plan to offer) because this will help you identify who your customers are.

Concentrate on major types of product rather than listing every single item. Consider these examples:

- ◆ A retail jewelry store might have four areas (fine gold jewelry, fashion jewelry, giftware and china/crystal/silverware), or it may focus on one or two of those areas.
- ◆ A carpenter offering a full range of services may have two areas; major jobs (house construction, sun decks, trusses) and basic home renovation/maintenance.
- ◆ A restaurant may also offer catering services to hotels and cater private functions (home & office parties, special events, etc.) - three areas in total.

One reason for listing each of these separately is that each group may have different types of customers with different needs. You may want to promote each area of your business in a different way from the others, since the advertising that reaches one market may not reach others. These groups may also have different mark-ups or gross profit margins associated with them. Listing them separately aids in determining how much inventory will be purchased in the Cash Flow Projection. Different products or services may also have different sales cycles (ie: you may sell more of one product during the summer, and more of another product during the winter). By grouping them separately it makes it easier to project expected sales.

Be sure to provide a brief description of your products or services that will help the reader of your plan better understand your business. Describe what they will or will not do. List all features and benefits for you products, and make special note of any feature that differentiate your products or services from those of the competition. *Quality, Features, Style, Brand Name, Packaging, Type & Size, Service, Guarantees, Warranties.*

Include any exhibits such as drawings or photographs of the product to be manufactured, or a description of the services to be offered.

Your Products/Services

Product #1 - _____

Product #2 - _____

Product #3 - _____

Product #4 - _____

YOUR CUSTOMERS

Your Market Area

Where do your customers live? Are you appealing to people in your community? Focus on your main market areas.

Your Customers

Who is buying (or will buy) your products and services and why? Who are your customers? (In the case of consumer goods what is their age range, average income, marital status, average family size, average expenditure, leisure activities, education, etc.) What do they want? How many customers are there in your target market? Why do they buy your type of product - what needs does it fulfill? How do they shop for your product or service? How do they perceive your business and its products and services? How do they perceive your key competitors, and their products and services? How sensitive are they to pricing differences?

Primary Customer - perfect for your product/service, heavy-user, fan.

Secondary Customer - can almost slip away. Sometimes leads Invisible Customer to your product/service.

Invisible Customer - appears after the product/service has been released.

The better you can describe your customers the better you will be able to plan how you are going to sell, produce and advertise your product or service.

Your Customers - Product 1

Your Customers - Product 2

THE COMPETITION

One of the main keys to your success will be in establishing a market niche for your business. To do this, you must understand who your competitors are, where their strengths are, and more importantly, where they are weak. Disposable income is limited, and many businesses are competing for it! There is only a limited amount of “spending money”, and many different ways of spending it. Every product has competition of some kind and it is important to know who your competitors are.

When looking at your competition, include direct competitors and substitutes. Substitutes are products that are different from yours, but can compete for your market. For example, an ethnic restaurant may have no direct competition in the community, but would still compete with other firms that cater to the limited “dine-out” market. Pay careful attention to your competitors market “niche”. Are they appealing to certain types of customers? Are they focusing on certain features of their products? Why do people buy from them? This information can give you many ideas how to set your company apart from the crowd, and create your own niche.

In listing your competitors you may wish to group similar competitors together if you have a large number of competitors. For instance, if you are starting a restaurant you may wish use categories such as drive-through restaurants, family restaurants, and dining lounges.

Identify the strengths and weaknesses of your competition and its products with respect to factors such as location, price points, advertising, staff quality and service. Estimate their percentage of market share.

Competitor _____ Market Share _____
Strengths _____
Weaknesses _____

Competitor _____ Market Share _____
Strengths _____
Weaknesses _____

Competitor _____ Market Share _____
Strengths _____
Weaknesses _____

Advertising & Promotion Checklist

This list is designed to help you keep track of the costs and timing of your advertising and promotional activities. This list is not all inclusive.

Advertising, Public Relations, Direct Response, Interactive Communications, Personal Selling and Event Marketing & Sponsorships.

Type	Month	Cost
Radio (A, IC)		
T.V./Video Marketing (A, IC)		
Newspaper (A, PR)		
Magazine (A)		
Flyers (A, DR, PS)		
Coupon/Pak (DR)		
Yellow Pages (A)		
Promotional Items (A, EM&S)		
Business Signage (A)		
Vehicle Signage (A, PS)		
Banners (A, EM&S)		
Welcome Wagon/Directories		
Business Cards (A, PS)		
Internet (A, IC)		
Trade Shows (EM&S, PS)		
Sponsorships (EM&S)		
Charitable Donations (EM&S)		
Networking - Chamber Membership (PS)		
Social Media (A, PS, IC)		

Price

How do you determine your prices? How do your prices compare with those of your competitors? How do your customers perceive your prices? *Price, Subscriptions/Memberships, Discounts, Allowances, Payment Period, Credit Terms.*

Keep three things in mind:

- ◆ If your products are **more expensive** than your competitors, why will your customers be will to pay extra price?
- ◆ If your products are **cheaper** than your competitors, can that affect the way that customers view the value of your products?
- ◆ If your products are **the same price** as your competitors, do you have other plans to set yourself apart from the rest?

Location & Distribution

Location can be a vital part of your success. It can be crucial for retail sales and consumer services, along with some business-oriented services. Location is not crucial for all firms - a wide range of firms are run from home. Where location is less critical, how the product or service is delivered or distributed to customers often plays a more important roll. Distribution channels can also play a very important roll if your business is a manufacturer or a wholesaler.

Where will your business be located? Why? How will your products or services be delivered or distributed to the ultimate consumer?

THE MANAGEMENT TEAM

Your skills and those of your advisors and key employees will play a vital part in your success or failure. There is far more to running a company than simply providing the goods or service itself. All businesses require skills in organization, sales, customer relations, crisis management, marketing and technical areas. Successful entrepreneurs either have sufficient experience in these areas to be reasonably effective, or have people with those skills who they can draw on.

You will also need to have plans for overcoming your weaknesses. No one is strong in every area. An effective entrepreneur knows where they are weak and has plans for compensating for those weaknesses. You may need to hire staff, take training in some of your weak areas, or arrange with someone to provide those skills (e.g. Bookkeeper, Lawyer, Advertising Rep., etc.)

Outline the roles your management team will play in your business. Discuss their skills and experience in the following areas (remember to include key individuals like your accountant even though they may not be employees or management in the strictest sense):

- ◆ **Technical** - The ability to provide the service or make the goods. What education, certificates and experience does the individual have in this area. Include copies of any trade certificates in an appendix.
- ◆ **Sales** - The background in selling products.
- ◆ **Promotion** - The exposure to using advertising or promoting products.
- ◆ **Organization** – Experience in managing many details at the same time.
- ◆ **Administration** – Experience and education in handling books, tracking cash, etc.

Individual _____ Position _____

Responsibilities _____

Skills and Experience as they relate to the business

Individual _____ Position _____

Responsibilities _____

Skills and Experience as they relate to the business

Individual _____ Position _____

Responsibilities _____

Skills and Experience as they relate to the business

Individual _____ Position _____

Responsibilities _____

Skills and Experience as they relate to the business

Are there any skills important to the business not possessed by any of the management team? How is your business going to acquire them? **Weaknesses are NOT a sign that you should not consider going into business.** Everyone has weaknesses. However, they are an indication that you should make plans to deal with these weak areas - do not ignore them.

BUSINESS STRUCTURE

In this section, you describe your business. Complete this section whether you are planning to start a new business, expand your current business, or purchase an existing business.

Name

Address (If you have not committed to a specific location yet, put down the expected site.)

Business Structure

Is this a:

- Proprietorship - a business owned, managed and controlled by one person.
- Partnership - a business where two or more people share ownership.
- Limited company - a company that is legally separate from its owners.

Status

Are you starting a brand new business? Taking over of an existing business?
Expanding your current business? Refinancing your existing debts?

Type of Business

Is this a manufacturing business, a retail store, or a service business? A business may cover several of these areas, such as a manufacturer who sells direct to consumers. If this is the case for you, check all that apply. However, only check major areas, not those that make up only a small part of your overall business.

_____ Manufacturing _____ Retail _____ Service

OPERATING PLAN

Facility and Equipment Required

What facilities or equipment do you require to make your product or provide your service? Will you be operating out of your home? If not, where will you be located? Will renovations be necessary?

Delivery of Products / Supplies

Who are your suppliers? Have you made arrangements for ensuring that your supplies arrive when needed? What sort of terms will they give you?

Staffing Requirements

What staff and skills will you have to hire? Will you need staff for sales, management, technical or other functions? Will some of the staff be seasonal?

Technological Innovations in Your Field

Are you in a field where technology is rapidly changing? If so, what are the changes, and how can they affect you? If your products or equipment can become outdated quickly, you need to be aware of this and make plans accordingly.

Age of Your Equipment

If you need equipment to make your goods or to provide your service, how old is it? Is it reliable? If it broke down, could it be repaired or replaced quickly? Could changing technology turn your equipment obsolete? Does it look like new regulation might force you to change your equipment, or give advantages to competitors with different machinery? Can your equipment adjust to meet these changes?

Not So Minor Details

Businesses are affected by many regulations, and these cannot be ignored. Items like insurance and administration can be relatively minor details, if they are handled properly. If not, they can consume a great deal of your time (and money).

Licenses and Permits

Business License - Do you have your current license from the local government?

Name Search/Registration – Unless your business is a sole proprietorship operating under your own name you must register the business name. Have you done a name search & registered your business name. _____

GST – If you expect revenues of \$30,000 or more it is required, otherwise it is voluntary. Have you registered? _____

Revenue Canada – If you have employees you will require an Employer Registration number? Do you have one? _____

WCB - Do you require a Worker’s Compensation Board assessment number? How much will the premiums be? _____

Zoning - What zoning regulations apply to your business? How will you be affected?

Are there any special licenses that are required for your business?

Insurance

What types of insurance will you need? How much does each type cost?

Administration

Who will handle your bookkeeping, year-end accounting / taxes, and legal matters?

PART 3 - YOUR FINANCIAL NEEDS

In the previous section, you covered the vision of your business - the products you will sell, your customers, how you stack up against your competition, the equipment you need, your marketing plan, and so on. Now you can determine how much money you will need to get the business off the ground, and keep it going.

Determining your financial needs involves these areas:

- ◆ Use & Source of Funds - how much money you need, and where you will get it from.
- ◆ Owner's Drawings - calculation of your personal living expenses, and the amount you plan to take out of the business.
- ◆ Sales Forecast: Assumptions - what you base your sales forecasts on.
- ◆ Cash Flow Projection - a 12 month estimate of sales and cash into your business.
- ◆ Financing - information needed to get any loans/investments you require to start the business.

Each of these is covered in detail in the following pages.

START-UP COSTS & CAPITAL (FUND USE & SOURCE)

This section outlines the money that you will need to start your new business or expand your existing business, along with where the money will be coming from. The first part (what you need) is the Use of Funds, while the second (where it comes from) is the Source of Funds.

Use of Funds

This section should cover whatever you need to start or expand your business, including items you already have. Let's assume your business requires \$10,000 in equipment to operate, and you already have \$3,000. You would show the full picture (\$10,000) in the appropriate section of the Use of Funds, **NOT** just the part that you don't have yet (\$7,000)

The Use of Funds is a summary showing the amount needed in each area. While it shows the complete picture, it is not necessary to put every single item on the sheet - only major items should be listed individually. If you have an itemized list, feel free to attach it to the plan.

The Use of Funds covers the following categories:

- ◆ Capital Items - major pieces of equipment you need to start to expand.
- ◆ Inventory
- ◆ Other costs - advertising/marketing, business licenses, accounting/bookkeeping fees and other costs related to start-up or expansion.
- ◆ Renovations
- ◆ Operating line - similar to a line of credit, these are funds you need to carry you through slow periods and provide a "buffer" your operation.

Complete only those categories that apply to your business. List the items you are contributing to the business separately from those you will have to buy. Using the same example you would show \$3,000 in owned equipment and \$7,000 in equipment to be purchased/leased, rather than a \$10,000 total.

Source of Funds

Once you know what your needs are, you need to determine where the money will come from. List the cash and assets that you contributing to the start-up or expansion. Show the full amount of any leases, bank loans, investments by partners or other investors, and the like.

Start-Up Costs (Use and Source of Funds)

Use of Funds

<i>Capital Items:</i>	\$
	\$
	\$
	\$
	\$
<i>Inventory:</i>	\$
	\$
	\$
<i>Other Costs:</i>	\$
	\$
	\$
	\$
<i>Renovations:</i>	\$
<i>Operating Capital / Line:</i>	\$
TOTAL USE OF FUNDS	\$

Source of Funds

<i>Bank / Credit Union / etc.</i>	\$
<i>Community Futures Development Corp.</i>	\$
<i>Personal Investment Cash</i>	\$
<i>Assets</i>	\$
<i>Other (specify)</i>	\$
TOTAL SOURCE OF FUNDS	\$

Total Source of Funds: _____

Less Total Use of Funds: _____

Starting Cash Balance for Month 1: _____
 (Can not be negative)

PERSONAL REQUIREMENTS

In this section, you calculate the funds you need to meet your personal living expenses. The numbers generated in this section will become part of your projected cash flow.

There are two types of expenses you must consider: Monthly and Periodic. In the Owner's Drawings section on the next page, list both types on the sheet provided. Also list any other sources of income for you, such as spousal income.

The amount in this section is the **LEAST** you can take from the business. The least you can take from the business for each month is the sum of the Minimum Monthly Owner's Draw Required, and any periodic expenses that will be due in that month. You can take more than this, but you cannot take less.

For example, your minimum monthly living expenses may be \$1,900. You could not take less out of the business to live on, though you certainly could choose to take more (e.g. \$2,500 per month).

Owner's Drawings

Monthly Expenses

Rent or Mortgage Payment	\$
Food	\$
Telephone	\$
Heat	\$
Light	\$
Car Expense	\$
Clothing	\$
Entertainment	\$
Medical Expenses	\$
Other -	\$
Other -	\$
Miscellaneous	\$
	\$
Less other Sources of Household Income	\$()
	\$

Periodic Expenses

Item	Month(s) Due	Amount
House Insurance		\$
Vehicle Insurance		\$
Life Insurance		\$
Property, Water/Sewer/Taxes		\$
Personal Income Taxes		\$
Alberta Health Care		\$
Other -		\$
Other -		\$

Unit Sales Projections by Product and Month

In the first column write the month which corresponds to the month listed. Enter the quantity of each product or service you expect to sell during the month. Enter the unit of sales (ie. hour day, each, case) for each category of product or service in the row labeled "Unit of Sales".

Estimate sales for each general type of product that you plan to offer, by month. For example, a jewelry business may plan to offer products in four areas - gold jewelry; fashion jewelry; gifts; and china & silver. The entrepreneur would make sales forecasts for each of the four areas product groups, **NOT** for every single item that the store carries.

Remember, "Month 1" is the first month of business for which this plan applies, and month 2 is your second month of business, etc. Month 1 is not necessarily January.

Month		Product 1	Product 2	Product 3	Product 4
	Unit of Sales				
	Month 1				
	Month 2				
	Month 3				
	Month 4				
	Month 5				
	Month 6				
	Month 7				
	Month 8				
	Month 9				
	Month 10				
	Month 11				
	Month 12				

Sales Dollars projected by Product and Month

In the first column write the month which corresponds to the month listed. In the row labeled "Price/unit" write the price you will be charging for each unit of product or service.

For each type of product or service, multiply the number of units you expect to sell (preceding page) by the selling price. Total each row.

		Product	Product	Product	Product	Total *
	Month 1					
	Month 2					
	Month 3					
	Month 4					
	Month 5					
	Month 6					
	Month 7					
	Month 8					
	Month 9					
	Month 10					
	Month 11					
	Month 12					

**Used on next page*

Projected Cash Inflows By Month

If you offer credit some of the money from your sales will be collected in later months. What percentage of sales are collected in the month they are made or in subsequent months?

Current Month	%
Second Month	%
Third Month	%
Fourth Month	%
Total	100%

Cash Sales refers to sales where the cash is collected in the month of the sale. Accounts Receivable refers to sales where the cash is collected in months subsequent to the sale.

		Total Sales (from previous page)	Cash Sales*	Cash Collected from Accounts Receivable**
	Month 1			
	Month 2			
	Month 3			
	Month 4			
	Month 5			
	Month 6			
	Month 7			
	Month 8			
	Month 9			
	Month 10			
	Month 11			
	Month 12			

* These numbers are used in Cash Flow as cash sales

** These numbers are used in Cash Flow as Accounts Receivable

Expense Assumptions

Material Cost:

Labor: (How many employees, what are the wage rates and contract terms):

Administrative & Financial Expenses: (Does your interest reflect the proposed debt? Do your bank charges and accounting fees reflect expectations?):

Other:

Critical Risks

What sort of things could severely affect your sales or your expenses? These may be things like a new competitor entering the market place, a change in regulations, or a key supplier going out of business.

PROJECTED CASH FLOW - INSTRUCTIONS

The key to remember in preparing a cash flow is that you are not trying to determine a profit or loss yet - you are trying to predict the timing of cash in or out of your bank. **Don't spread costs evenly over the year.** For example, if insurance costs \$1,200 per year and is payable in May, put the whole \$1,200 in that month. Do not put in \$100 each month. **Take the time to do it right.** Most of the data collected here is also used on balance sheet and income statement forecasts. **Review the expenses** you enter to be sure you have remembered everything. Items discussed in the visioning section nearly always result in some sort of cash flow. If you need guidance while completing this form, contact the Mirror Office.

Cash In

Use the sales forecasts you did in the last section to estimate cash into your business. Don't forget any credit terms you may provide - if you agree to payment in 30 days, a sale in January will show up as cash to you in February, under the line "Accounts Receivable".

LINE 1: Cash Sales - This is the total amount of income you estimate you will take in each month. Most businesses find that income varies from month to month. Therefore, your figures should reflect this. Also include an estimate of the percentage of sales that will be collected in 30 days, the percentage collected in 60 days and those collected in 90 days.

LINE 2: Accounts Receivable - This is money owed to a company by its debtors, often in the form of invoices.

LINE 3: GST In – Goods & Services Tax charged to customers. In Alberta, this amount is 5% on most goods and services.

LINE 4: Loan(s) - If you take possession of borrowed money during the month, list this amount. Again, this will normally be a one-time entry in your first month of business.

Other - This is the cash equity that you personally have put into the business. This will most often be a one-time entry in your first month of business.

Total Income (1) - Totals of lines 1 to 4.

Cost of Goods Sold - If you have a retail business this figure will be your cost of the goods you intend to sell (cost of inventory or raw materials necessary to achieve that month's sales). This may be based on a percentage of sales, if you are selling a product

for which you already know the mark-up or profit margin. NOTE: This only applies if you are selling product, not services.

LINE 5: Inventory Purchases - Record the purchases of merchandise for resale.

LINE 6: Other Cash Received - List any other sources of cash inflow.

Total Cost (2) - Total of lines 5 and 6.

Gross Profit / Total Cash In (3) - The profit a company makes after deducting the costs associated with making and selling its products, or the costs associated with providing its services. Total Income (1) subtract Total Cost (2).

Cash Out

Several categories of expenses are listed. Do not be afraid to add others or ignore those that do not apply. Do not be afraid to provide an itemized list of items included in these and other categories with your business plan.

LINE 7: Advertising/Marketing - These are your costs for advertising, promotion, and so on.

LINE 8: Automotive - This figure will include fuel, oil, and lease payments (if any). If vehicle expenses will be a large part of your expenses you may want to consider separating the expenses. NOTE: Utilized only if vehicle is owned by company (actual cash outlay by company).

LINE 9: Bank Charges - Covers all charges and fees made by a bank for the provision of an account.

LINE 10: Employee Benefits - This includes employee deductions that you are responsible for (EI, CPP, WCB, Vacation Pay, etc.). As a general rule of thumb, these items usually amount to at least 10% of the wage costs (unless you offer a benefit package, in which case this would be somewhat higher). *Small business owners do not pay EI for themselves, just Canada Pension and WCB if applicable, and EI for any employees.*

LINE 11: Insurance - Different businesses require different types of insurance. These can include commercial general liability, professional liability insurance, cyber liability insurance, property insurance, workers' compensation insurance, modified home insurance for home-based businesses, product liability insurance, vehicle insurance, and business interruption insurance.

LINE 12: Loan Payment - Payment for moneys borrowed, which includes accrued interest until the debt is repaid.

LINE 13: Legal & Accounting - Get estimates from an accountant and lawyer indicating what they estimate your expenses will be. Legal fees may only occur in the initial start up phase while accounting fees may be incurred monthly. Includes: monthly bookkeeping services, year-end financial statements, keeping equipment and property in good operating condition.

LINE 14: Office Supplies - Consumables and equipment regularly used in offices for written communications, bookkeeping, janitorial and cleaning and storage of supplies or data.

LINE 15: Property Tax - Real estate taxes on the assessed value of the property (land and buildings).

LINE 16: Rent/Mortgage - Payment made for the temporary use, or purchase, of the business property.

LINE 17: Repairs & Building Maintenance - Functional checks, servicing, repairing or replacing of necessary building infrastructure and supporting utilities.

LINE 18: Repairs & Equipment Maintenance - Functional checks, servicing, repairing or replacing of necessary devices, equipment and machinery.

LINE 19: Shop Supplies - Expendable and non-expendable equipment and supplies, apparatus and instruments used in production.

LINE 20: Tools & Equipment - This figure will include any additional tools/equipment that may need to be purchased/upgraded throughout your business.

LINE 21: Telephone - In the first month of operation your connection charges for telephone lines and the internet (if applicable). In the remaining months estimate your monthly telephone/internet charges, including line charges, mobile phones and long distance.

LINE 22: Utilities - This figure will include monthly utility costs such as power, heat, and water. There may be initial connection charges in the first month of operation.

LINE 23: Employee Wages - This will include the total amount you intend to pay your employees and could well vary from month to month depending upon the type of business you operate.

LINE 24: Owner's Salary - This will be the amount that you intend to pay yourself. There is often no wage drawn in the first 2 or 3 months of operation. *Business plan should be*

strong enough to be able to support a minimum management wage of \$1500/month. Wage must be enough to support personal financial requirements.

LINE 25: Other - Other expenses specific to your line of business.

LINE 26: GST Out - Remitted Goods & Services Tax to the Canada Revenue Agency.

Total Cash Out (4) - Total of lines 7 to 26.

Cash Flow - Total Cash In (3) subtract Total Cash Out (4).

OTHER TERMS

Asset - If you have purchased an asset (pieces of equipment or tools that have a cost of \$300 or more) indicate that figure in the space provided.

Direct Labour - Labour costs vary directly with the cost of producing your goods and service. For instance, if an employee is paid per unit manufactured. It should also include employee deductions like Staff Wages/Labour.

Staff Wages/Labour - This should reflect the number of employees, including wage rates. Also include employee deductions that you are responsible for (UIC, CPP, WCB, Vacation Pay, etc.) As a general rule of thumb, these items usually amount to at least 10% of the wage costs.

Borrowing Costs - The cost to repay any loans that your business may require. This includes loan payments from banks and other lending institutions.

Starting Cash Balance – The Starting Cash Balance is the Ending Balance for the preceding month. In month one it is cash left from the business in the preceding month (provide a forecast in the appendices) in the case of an existing business.

CASH FLOW

Month	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
Cash Sales													
Accounts Receivable													
GST in													
Loan													
TOTAL INCOME (1)													
COST OF SALES													
Inventory Purchases													
Other													
TOTAL COST (2)													
GROSS PROFIT (3) (1-2)													
EXPENSES													
Advertising													
Automotive													
Bank Charges													
Employee Benefits													
Insurance													
Loan Payment													
Legal/Accounting													
Office Supplies													
Property Tax													
Rent													
Repairs & Main. Bldg.													
Repairs & Main. Equip.													
Shop Supplies													
Tools & Equip.													
Telephone													
Utilities													
Employee wages													
Owners Salary													
Other													
GST out													
TOTAL EXPENSES (4)													
CASH FLOW (3-4)													

SUPPORTING DOCUMENTATION

The following provides a list of the supporting documentation that is required (as applicable) to support your Business Plan and/or your request for funding:

- Resumes of key people
- Data supporting ability to meet sales goals
- Price schedule for produce line or service
- Market survey data
- Drawings
- Agreements
- Articles/publicity/previous advertisements
- Letters of Support
- Letters of Intent
- Past financial statements (if available)
- Journeyman tickets or other certificates of importance
- A copy of your loan proposal
- Offers to purchase
- Quotes
- Tax assessments and/or appraisals for property
- Any other items of importance to your business

Arranging Financing

By this point you will know whether your business will require financing. If you need to borrow money, the information in the business plan will help you greatly in arranging financing. Some lenders may only require a synopsis of the plan, others will want to see the entire plan.

In addition to a business plan a lender will want to see some sort of loan proposal that states:

- How much money you wish to borrow.
- What you are going to buy with that money (include quotes).
- What you are going to use as collateral for the loan.
- The current value of assets being used as security.
- A statement of your net worth.