MORE
THAN NUMBERS CAN SAY

The **Agriculture Business** Planner for Credit Union Members

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Canadian Business Owner Strategy
CANADA'S CREDIT UNIONS

Innovation CREDIT UNION

YOUR SHORTCUT TO 'YES'

Your **Innovation Agriculture Business Planner**

As an owner and shareholder in Innovation Credit Union, you already have a different kind of relationship with your financial institution. That makes business banking here different too:

- *we keep financing decisions local and accountable*
- *your character, track record and farm business plan matter*
- *we'd rather lend support than make stipulations*

In short, we keep it personal because you take your farm business personally.

So instead of pressing you into a grid full of blanks in a yea-or-nay mathematical formula, let's take a few minutes to create a living profile of your farming business and financial scenario. Our experience with businesses of all sorts has taught us helpful questions to ask, and how your answers can help move the financing process along efficiently.

This is a concise way you can get a head start on a financing strategy for your farm. Fill in this planner and we'll get to 'yes' faster, simpler, together.

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YOUR AGRICULTURE BUSINESS PROFILE

1.0

This section will help Innovation Credit Union understand your farm, not just your numbers.

Let's start with a profile of your venture: the **whos, whats, whens, wheres and whys**. Tell us about your core idea, who you are, the people around you, the market you're after, the world as you see it. All of the following questions may not be applicable for all farms. It'll help us come up with the right financing solutions to support what's important to you.

1.1 YOU AND YOUR BUSINESS

THE BASICS

REGISTERED BUSINESS NAME

BUSINESS OPERATING NAME

BUSINESS ADDRESS

MAILING ADDRESS

TELEPHONE FACSIMILE

CELLULAR

EMAIL

WEBSITE

DATE ESTABLISHED CURRENT OWNERSHIP SINCE

Form of Business (choose one)

☐ Corporation ☐ Sole Proprietorship ☐ Co-operative ☐ Incorporated Association

☐ Partnership ☐ Society ☐ Other

Current Financial Institution(s)

OWNERSHIP

OWNER'S LEGAL NAME

BUSINESS LEGAL NAME

TITLE % OWNERSHIP

Business Involvement ☐ Full-time ☐ Part-time

YOUR PROFESSIONAL SUPPORT

ACCOUNTING

NAME

ADDRESS

TELEPHONE FACSIMILE

EMAIL

FISCAL YEAR END

Date of most recent formal accountant-prepared financial statements or corporate income tax return.

Latest interim statements (if applicable)

LAWYERS

NAME

ADDRESS

TELEPHONE FACSIMILE

EMAIL

1.2 YOUR BUSINESS ENVIRONMENT

OVERVIEW: WHAT YOUR BUSINESS OFFERS

What is your product or service? How will it be made?

Where will you obtain raw materials?

How will the demand for your product or service evolve or change?

Will you rely on skilled or unskilled labour? If skilled, where and how is training and accreditation obtained?

What are the sources of your labour?

YOUR SUPPLIERS: WHO ARE YOU WORKING WITH?

Which industry associations have you joined?

1 NAME

ADDRESS

2 NAME

ADDRESS

3 NAME

ADDRESS

4 NAME

ADDRESS

Have you negotiated terms with these suppliers?

YOUR INDUSTRY: TELL US WHAT YOU SEE

Describe the total size of your industry.

Potential sales.

How did you arrive at this total?

Number of customers.

Describe any trends that affect your industry (e.g. seasonal, government regulations)

Has the industry been growing, declining or steady in recent years?

What factors (global or local) have determined the above?

What is the long-term outlook for your industry?

How will this affect your business?

YOUR MARKET: DESCRIBE YOUR TARGETS

Describe your target market.

Estimate the size of this market (gross sales and units or services sold).

How will the demand for your product or service evolve or change?

Describe the type of people that are likely to purchase your product or service.

YOUR PRODUCTS AND SERVICES: HOW YOU'LL DO IT BETTER

What makes your product or service unique (i.e. your competitive advantage)?

What benefits will your customers gain by purchasing your product or service?

Describe the distribution methods (e.g. wholesalers, agents, etc.) that are typically used in your industry.

Describe any trends that affect your industry (e.g. seasonal, government regulations).

Provide a brief description of your skills, knowledge or experience in this industry.

YOUR COMPETITION: WHO ELSE IS OUT THERE?

Who are your direct competitors?

What are their strengths and weaknesses? Compare their service or product to yours.

What are your weaknesses?

How do you intend to deal with these weaknesses?

YOUR RISK: PLANNING FOR THE CHALLENGES

What risk do you face in producing your product or service?

Have you chosen a location?

1.3 MARKETING AND SALES

GETTING YOUR WORD OUT

How will you advertise or promote your product?

Identify the media you will use and the associated costs (choose those that apply).

Newspapers $	Magazines $	Other $
Radio $	Television $	

YOUR REACH: HOW WILL YOU FIND AND KEEP YOUR CUSTOMERS?

How will you distribute your product or service?

How will customers pay for your product or service?

What terms are you prepared to offer your customers (i.e. net 30 days)?

What is your customer service policy (e.g. guarantees, warranties, layaway plans, return policies, etc.)?

YOUR PRICING: WHAT'S RIGHT FOR YOU?

What is your pricing strategy?

How did you arrive at this and why?

How is your competition priced?

1.4 YOUR OPERATIONS

FINANCING AT FIRST GLANCE

What is your pricing strategy?

How did you arrive at this and why?

Do you think there will be a need for large further expenditures in the near future?

What type of financing do you require?

☐ Operating line of credit/overdraft protection ☐ Equipment loan or lease

☐ Loan for real estate ☐ Credit card(s)

☐ Other

YOUR LOCATION: WHERE AND HOW MUCH?

How much space will your business require?

Have you chosen a location?

☐ Yes ☐ No

What will this space cost?

$

If you own the premises, what is its market value?

$

Terms?

☐ Lease ☐ Month-to-Month

What are the advantages / disadvantages of the location that you have chosen?

Has an appraisal been completed on the property?

☐ Yes ☐ No

By who and when?

Has an environmental inspection (e.g. Level I, II, II) been done on the property?

☐ Yes (Please list the firm below.) ☐ NO

ENGINEERING FIRM

ADDRESS

TELEPHONE FACSIMILE

EMAIL

EMPLOYEES

Please list key employees that will be working with you.

1 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

2 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

3 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

4 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

5 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

6 NAME

JOB TITLE

RESPONSIBILITIES

QUALIFICATIONS

Do you expect to hire anyone else in the near future?

AGRICULTURE IS ABOUT PEOPLE

2.0

Relationship is the difference when you're banking with Innovation Credit Union. It's more of a partnership, which makes it easier to build together when things are on the upswing, and keep things moving forward when challenges come along. This is why your personal track record, character and commitment count with us, not just the math.

This section will help us get to know the people behind the business. (And shed light on your financial strengths as well.)

2.1 YOUR EXPERIENCE COUNTS

Name

Education and Qualifications

Applicable Skills and/or Trades

Employment History

1

2

3

4

Personal Reference(s)

1 NAME TITLE

COMPANY

ADDRESS

TELEPHONE

2 NAME TITLE

COMPANY

ADDRESS

TELEPHONE

3 NAME TITLE

COMPANY

ADDRESS

TELEPHONE

2.2 PERSONAL FINANCIAL PROFILE (Be sure include your spouse's information as well.)

ASSETS	AMOUNT
Cash	$
Account Balances	
RRSPs	
Home	
Other Real Estate	
Vehicles	
Other Assets (specify)	
Total Assets	$ 0

LIABILITIES	BALANCE	MINIMUM MONTHLY PAYMENT
Home Mortgage	$	$
Mortgage on Other Real Estate		
Personal Loans		
Personal Line of Credit		
Credit Cards		
Other (specify)		
Total Liabilities	$ 0	
Total Monthly Liabilities		$ 0
Net Worth (Total Assets - Total Liabilities)	$ 0	

2.3 DESCRIPTIONS OF ASSETS, LIABILITIES AND INCOME

Investment portfolio details

1 FINANCIAL INSTITUTION

HOLDINGS

2 FINANCIAL INSTITUTION

HOLDINGS

3 FINANCIAL INSTITUTION

HOLDINGS

Mortgage Details

FINANCIAL INSTITUTION

BALANCE OUTSTANDING REPAYMENT TERMS

MATURITY DATE CURRENT MARKET VALUE

ORIGINAL PURCHASE DATE AND PRICE

REGISTERED OWNERS

Personal Loans and Lines of Credit

FINANCIAL INSTITUTION

LIMIT (IF LOC)

BALANCE OUTSTANDING REPAYMENT TERMS

SECURITY HELD

PURPOSE

Credit Cards and Outstanding Balances on Each

1 CARD

LIMIT

OUTSTANDING BALANCE

2 CARD

LIMIT

OUTSTANDING BALANCE

3 CARD

LIMIT

OUTSTANDING BALANCE

Have you co-signed or guaranteed any other liabilities?

☐ Yes (Please describe below.) ☐ No

Do you or your spouse receive income from any sources outside of the business?

☐ Yes (Please describe from where and how much below.) ☐ No

Have you ever declared personal bankruptcy?

☐ Yes (Please provide details below.) ☐ No

Are there any outstanding legal actions against you or your spouse?

☐ Yes (Please provide details below.) ☐ No

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YOUR AGRICULTURE BUSINESS' FINANCIAL PROFILE

3.0

We would like to offer guidance on how to maintain a healthy financial picture for your farming business, including needs and opportunities for financing. By completing this section, you'll create a Balance Statement, an Income Statement and a Cash Flow Forecast.

If you already have financial plans for your farming business, we can start with those – just include your statements with this form. Feel free to ask Innovation Credit Union if you have questions.

3.1 FINANCIAL STATEMENT

A BALANCE SHEET GIVES YOU THE FINANCIAL PICTURE OF YOUR BUSINESS AT ONE POINT IN TIME. IT IS AN INDICATION OF YOUR BUSINESS' ASSETS AND LIABILITIES, AS WELL AS SHAREHOLDER EQUITY – I.E. THE CAPITAL INVESTED INTO YOUR BUSINESS.

	YEAR 20 _____	YEAR 20 _____	YEAR 20 _____
ASSETS			
Current Assets			
Cash and Equivalent	$	$	$
Accounts Receivable			
Inventory			
Prepaid Expenses			
Other Assets			
Total Current Assets	$ 0	$ 0	$ 0
Fixed Assets			
Land and Building	$	$	$
Equipment			
Minus Depreciation			
Total Fixed Assets	$ 0	$ 0	$ 0
Intangible Assets			
Good Will	$	$	$
Patents			
Other			
Total Intangible Assets	$ 0	$ 0	$ 0
Total Assets	$ 0	$ 0	$ 0

(continued)

	YEAR 20 0	YEAR 20 0	YEAR 20 0
LIABILITIES & SHAREHOLDER EQUITY			
CURRENT LIABILITIES			
Short-Term Debt	$	$	$
Accounts Payable			
Income Taxes Payable			
Long-Term Debt Due Within One Year			
Other			
Total Current Liabilities	$ 0	$ 0	$ 0
LONG-TERM LIABILITIES			
Long-Term Debt			
Other Liabilities			
Total Long-Term Liabilities	$ 0	$ 0	$ 0
Total Liabilities	$ 0	$ 0	$ 0
SHAREHOLDER EQUITY			
Cash Equity Contribution	$	$	$
Authorized Stock/Share Capital			
Retained Earnings			
Total Shareholders' Equity	$ 0	$ 0	$ 0
Total Liabilities and Shareholder Equity	$ 0	$ 0	$ 0

3.2 INCOME STATEMENT

AN INCOME STATEMENT OUTLINES YOUR REVENUE, EXPENSES AND PROFITS OVER A DEFINED PERIOD. IF YOU ARE IN THE PROCESS OF BEGINNING YOUR BUSINESS, PLEASE ESTIMATE THESE ON A QUARTERLY BASIS. IF YOUR BUSINESS IS ALREADY ESTABLISHED, PLEASE ATTACH INCOME STATEMENTS FOR THE PREVIOUS THREE YEARS, OR ALTERNATIVELY, FILL IN THE STATEMENT BELOW FOR THE PAST THREE YEARS.

	Q1 OR	Q2 OR	Q3 OR	Q4 OR	ANNUAL TOTALS
	YEAR 20 ____	YEAR 20 ____	YEAR 20 ____	YEAR 20 ____	(IF APPLICABLE)
Sales	$	$	$	$	$ 0
Minus: Cost of Goods Sold					0
Gross Profit Margin	$ 0	$ 0	$ 0	$ 0	$ 0
Minus: Selling expenses	$	$	$	$	$ 0
Minus: Office Expenses (See Section 3.2A)	0	0	0	0	0
Minus: Payroll Expenses					0
Minus: Interest Expenses					0
Minus: General Expenses (See Section 3.2A)	0	0	0	0	0
Total Operating Expenses	$ 0	$ 0	$ 0	$ 0	$ 0
Operating Profit	$ 0	$ 0	$ 0	$ 0	$ 0
Minus: Taxes Payable					0
Minus: Owner's Salary/Dividends					0
Minus: Depreciation					0
Minus: Other					0
Subtotal	$ 0	$ 0	$ 0	$ 0	$ 0
Net Income	$ 0	$ 0	$ 0	$ 0	$ 0

3.2A EXPENSE CALCULATION

USE THIS TABLE TO CALCULATE YOUR OFFICE AND GENERAL EXPENSES REFERRED TO ON THE PREVIOUS PAGE.

	Q1 OR	Q2 OR	Q3 OR	Q4 OR	ANNUAL TOTALS
	YEAR 20 0	YEAR 20 0	YEAR 20 0	YEAR 20 0	(IF APPLICABLE)
OFFICE EXPENSES					
Interest and Bank Charges	$	$	$	$	$ 0
Insurance					0
Office Rent					0
Telephone					0
Utilities					0
Maintenance					0
Office Supplies					0
Other					0
Total Office	$ 0	$ 0	$ 0	$ 0	$ 0
GENERAL EXPENSES					
Accounting and Legal Fees	$	$	$	$	$ 0
Advertising and Promotion					0
Bad Debts					0
Depreciation and Amortization					0
EI Expense					0
CPP Expense					0
WCB Expense					0
Distribution Expenses					0
Equipment Rentals					0
Interest on Long Term Debt					0
Materials					0
Vehicle Expenses					0
Wages					0
Total General	$ 0	$ 0	$ 0	$ 0	$ 0

3.3 CASH FLOW FORECAST

A CASH FLOW FORECAST SHOWS YOUR ESTIMATED SOURCES OF BUSINESS REVENUE AND YOUR PROJECTED BUSINESS EXPENSES ON A MONTHLY BASIS OVER THE COURSE OF ONE YEAR. IF YOU ARE STARTING A NEW BUSINESS, PLEASE PROJECT THE FOLLOWING INFORMATION FOR THE NEXT 12 MONTHS.

	MONTH					
	1	2	3	4	5	6
CASH RECEIPTS						
From:	$	$	$	$	$	$
From:						
From:						
Sub-Total Cash From Sales	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Minus: Current Month	$	$	$	$	$	$
Minus: Previous Month						
Loan Proceeds						
Cash Equity Contribution						
Other Cash Received						
Total Cash Receipts	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CASH DISBURSEMENTS						
Inventory Purchase	$	$	$	$	$	$
Fixed Asset Purchase (e.g. Equipment Leases)						
Production Materials						
Rent/Utilities						
Salaries						
Insurance						
Marketing						
Bank Interest						
Principal Portion of Long-Term Debt						
Service Charges						
Taxes						
Other						
Total Cash Disbursements	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
NET CASH POSITION						
Monthly Surplus (or Deficit)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Cumulative Cash Flow (or Deficit) to Date	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

(continued)

	MONTH						
	7	8	9	10	11	12	TOTAL
CASH RECEIPTS							
From:	$	$	$	$	$	$	$ 0
From:							0
From:							0
Sub-Total Cash From Sales	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Minus: Current Month	$	$	$	$	$	$	$ 0
Minus: Previous Month							0
Loan Proceeds							0
Cash Equity Contribution							0
Other Cash Received							0
Total Cash Receipts	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CASH DISBURSEMENTS							
Inventory Purchase	$	$	$	$	$	$	$ 0
Fixed Asset Purchase (e.g. Equipment Leases)							0
Production Materials							0
Rent/Utilities							0
Salaries							0
Insurance							0
Marketing							0
Bank Interest							0
Principal Portion of Long-Term Debt							0
Service Charges							0
Taxes							0
Other							0
Total Cash Disbursements	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
NET CASH POSITION							
Monthly Surplus (or Deficit)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Cumulative Cash Flow (or Deficit) to Date	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

Where do you expect your business to be in one year?

Three years?

Five years?

NEXT STEPS

CONGRATULATIONS, YOU'VE JUST CREATED YOUR AGRICULTURE BUSINESS PLANNER

It's a useful tool for any business owner, but it will be especially helpful as we discuss your farm's financial structure and map out financing opportunities to support healthy business growth.

To save the information you included in your planner, select File/Save As and re-name the file. You can then print it off to bring to your appointment with one of our Agriculture Relationship Managers. You can get to know us better, we can offer a professional financial perspective, and together we'll arrive at some options for financing that will support your farming operations and help you toward your goals.

You'll find out why business banking really is different at Innovation Credit Union.

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CANADA'S CREDIT UNIONS