



Business Planner Package

If you have any additional questions please contact Jade Tailfeathers Business Support Officer at CFT7 403.251.9242



Community Futures Treaty Seven Checklist

CFT7 needs the following information submitted to complete your application for review processing. No exceptions will be made if any of the following documents are missing.

1. **Feasible Business Plan Completed** with financial plans, start-up costs, break-even analysis, **Cash-flow forecast 3 years**, Income and expense statement, balance sheet.
2. **BCR** Band Council Resolution wording signed and dated by Chief and Council as attached
3. **Completed and Signed application** – a credit check will be viewed on your personal file. If you have any collections outstanding debts and/or judgements, they must be settled with vendors before proceeding. Enclose a copy of **paid collections** by way of **receipt** and/or a letter from vendors show settled. Judgements must be settled by the court and enclosed **legal documents** proving claim has been settled
4. **Copy of Indian Status** and proof you own 51% of the company or more.



CLIENT INFORMATION SUMMARY

ALL INFORMATION CONTAINED HEREIN
WILL BE TREATED IN THE STRICTEST CONFIDENCE
APPLICANT'S PERSONAL INFORMATION

Date: _____

LAST NAME FIRST NAME AND INITIAL

Address E-mail Address

City/Town Province Postal Code

Telephone (Home) (Work) (Cell)

Social Insurance Number Date of Birth (D/M/Y)

Driver's License Number Class

Treaty 7 Band Treaty Number

Marital Status Number of Dependents

Spouse's Last Name (if different) First Name and Initial

Spouse's Social Insurance Number Date of Birth (D/M/Y)

Spouse's Driver's License Number Class

Signature: _____

Please circle the one of the following

Reason: Business Advisory Services Loan Application Business Training

Are you a person living with a disability? YES or No

What is a Business Planner

A business plan helps you to determine if your business is likely to be viable, and focuses your efforts to improve your chances of success. 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 planners 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.

How do I use this Business Planner 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.

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.

You may be asking where do I get the answers to the questions? The answer is market research. The answers to the questions are not just guesses; they must be supported by facts. Remember that information gathered for the Visioning 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.

BUSINESS PLANNER

Your Business Planner

The more complete your business profile, the better the Business Analyst can assist you with the particular cash management or lending needs.

So, tell us exactly what your business does – or what your business plans are. What advantages does your business have in the marketplace? What benefits do you think you provide to your customers?

Give us as many specific details as you can provide.

Your business briefly described

- Client Name: _____
- Company Name: _____
- Address, City, Postal Code: _____

- Band: _____
Phone: _____
- Is this an existing or new business? Existing New
- Date business established: _____
- Form of business ownership: _____
- Sole proprietorship Date of registration: _____
- Partnership Date of registration: _____
- Corporation Date of registration: _____

- Who are the principle (owners), and what percentage of equity does each principal own?

Name: _____ % of ownership _____

- Number of employees: _____ Full time _____ Part time _____

- The product or service your business provides: _____

- Industry Sector: Retail Manufacturing Service

- **Your involvement in the business:**

Full time Part time

Your competitors/suppliers:

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.

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 _____

- Who are your major suppliers? _____

- What payment do you have or plan to set up with your suppliers? _____

Your competitive advantage:

- Who are your major customers? _____

- Do you have a broad range of customers, or relatively few? _____
- Why do customers prefer your product or service to that of your competitors?

- Do you grant credit to your customers, and if so, explain your collection policy?

THE MARKETING PLAN

How will you tell your customers about your products and convince them to buy from you? Marketing is more than just advertising. It also includes pricing strategies, and how your product or service will be distributed to the ultimate consumer.

“The manufacturer who waits for the world to beat a path to his door is a great optimist. But the manufacturer who shows this mousetrap to the world keeps the smoke coming out of his chimney.” – O.B. Winters

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.

Type	Month	Cost
Radio		
T.V.		
Newspaper		
Magazine		
Flyers		
Coupon/Pak		
Yellow Pages		
Promotional Items (i.e. pens, fridge magnets)		
Business Signage		
Vehicle Signage		
Banners		
Welcome Wagon		
Business Cards		
Internet		
Trade Shows		
Sponsorships		
Charitable Donations		
Networking - Chamber Membership		

The location and estimated size of your market:

- How big is your market in terms of dollars/geographical region/other?

- What percentage of the market share do you plan on capturing? _____

Price

How do you determine your prices? How do your prices compare with those of your competitors? How do your customers perceive your prices?

Keep three things in mind:

- ◆ If your products are **more expensive** than your competitors, why will your customers be willing to pay the 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

The environment in which you do business:

- How do economic factors impact your business? For example: Recession – Interest rates – Taxes – Level of consumer spending – Current economic cycle – Other.

- How do political factors impact your business? For example: Regulatory environment – Free trade – government policies – Other.

- How do social factors impact your business? For example: Trends/fads – current issues of importance to your business. _____

- How do technological factors impact your business? For example: significant changes affecting production and/or the nature of your product.

- How do environment factors impact your business? For example: Pollution – recycling – Other.

- Does your business require an environmental audit? If so, who will be doing it?

Your business success factors:

- Your business strengths _____

- Your business weaknesses _____

- Why do you think your business will succeed? _____

- Where do you expect your business to be in five years?

Your key business objectives:

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?

YOUR FINANCIAL PLAN

Your business plan shows how we can help your business because it tells us exactly what you plan to do, and how much you think it will cost. 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.

A well prepared plan is absolutely necessary as it helps justify your business proposal, as well as, convince the Business analyst that you have thoroughly researched and planned for your business.

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.

Your financing needs

- How much money do you want to borrow? _____
-

- What type of financing do you require? Please indicate below:

Operating Loan	<input type="checkbox"/>	Equipment Loan	<input type="checkbox"/>
Equity Financing	<input type="checkbox"/>	Other	<input type="checkbox"/>

- Specifically, what will your business loan(s) be used for? _____

- How will you repay your loan (s)? _____

- What type of security are you offering? _____

Things to think about when offering security or purchasing equipment

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?

- What major purchases or changes (e.g. equipment) have you made this year, or will Make next year? _____

- How much of your own funds have you invested in your business to date?

- What is the source of these funds? _____

Current Banking Arrangements

Your bank _____

Your branch _____

Your account number(s) _____

Type of loan(s) outstanding _____

Amount of loan outstanding _____

Repayment terms _____

- Make, model and year of vehicle(s) _____

- Description of investment portfolio _____

- Name(s) and individual balances outstanding on credit card(s) _____

<u>Financial Institution</u>	<u>Outstanding Balance</u>	<u>Repayment Terms</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Your Employment History

- Company _____
- Address _____
- Title _____
- Annual Income _____
- Responsibilities _____

- Employment Period: From _____ To _____

Your Personal Financial Statement and Certification of Facts

Besides your business finances, your business analyst needs to know something about your personal financial solutions that are appropriate for you – and for your business. Please estimate the value of your house, car, etc. – at what you believe are current market values. Don't overlook any loan debt or outstanding credit card balances you may have, including income taxes.

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).

Indicate if you are including your spouse's assets or liabilities in the following information:

Your Net Worth Statement

<u>Assets:</u>	Yours	Spouse	Jointly
Cash	_____	_____	_____
Savings and Chequing Account balances	_____	_____	_____
Nation Land Lease	_____	_____	_____
Stocks, bonds, mutual funds, etc.	_____	_____	_____
Cash value in life insurance	_____	_____	_____
Pension Plan, RRSP's, etc.	_____	_____	_____
Residence (off reserve)	_____	_____	_____
Other real estate (off reserve)	_____	_____	_____
Vehicles	_____	_____	_____
Other (specify)	_____	_____	_____
<u>TOTAL ASSETS</u>	_____	_____	_____

<u>Your Liabilities</u>	Yours	Spouse	Jointly
Credit Card Balances	_____	_____	_____
Personal Loans	_____	_____	_____
Loans on Life Insurance	_____	_____	_____

Income taxes owing	_____	_____	_____
Residential Mortgages	_____	_____	_____
Other real property mortgages	_____	_____	_____
Investment Loans	_____	_____	_____
Other (specify)	_____	_____	_____
<u>TOTAL LIABILITIES</u>	_____	_____	_____

Your Net Worth

**Total Assets Minus
Total Liabilities** _____

Description of Assets and Liabilities:

- What is the address of residential or other property? _____

- How is it registered (e.g. jointly with spouse?) _____

Owner's Drawings (Actual or Projected)

Monthly Expenses

Rent or Mortgage Payment	\$
Food	\$
Telephone	\$
Heat	\$
Light	\$
Car Expense	\$
Clothing	\$
Entertainment	\$
Medical Expenses	\$
Other -	\$
Other -	\$
Miscellaneous	\$
<i>Total Expenses</i>	\$
Less other Sources of Household Income	\$())
<i>Minimum Monthly Owner's Drawings Required</i>	\$

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 -		\$

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)

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".

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.

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

Direct Labor - This is Labor 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/Labor

Staff Wages/Labor - 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.

A CASH PROJECTION TEMPLATE CAN BE PROVIDED TO YOU OR THERE IS ONE ON THE CFT7 WEBSITE WWW.T7EDC.COM

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)													

Growing communities one idea at a time.

Supporting Documents

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.

BCR Wording

WHEREAS The Chief & Council of the _____ are responsible for the peace, order and good government of the Band members; and

WHEREAS _____ has established a _____ Business; and

WHEREAS the **Community Futures Treaty Seven** request to provide financing to assist in the development; and

WHEREAS all internal requirements and procedures of the Band found I Section 2(3)(b) of the Indian Act have been met and Band procedure regulations have been followed;

THEREFORE IT BE RESOLVED that the above-mentioned Band member is hereby authorized to develop the above-mentioned business in whole or in part on the reserve, and that **Community Futures Treaty Seven**, its employees or appointed agents, are hereby authorized the right to entry onto reserve land to seize or realize on any security held in respect to any loan provided to the above-mentioned Band member, provide the loan is in fault;

AND FURTHER THAT this Band Council Resolution shall remain in effect until all present and future loans from **Community Futures Treaty Seven** have been paid in full, and that this Band Council Resolution shall remain binding with all present and future Chief and Councils, regardless of their composition.



Congratulations

Now that you've completed the Business Planner, it's time to make your appointment with your Business Analyst and move forward in the application and the completion of a business plan.

Please complete the last section before you come into the CFT7.

I certify that all the financial and personal information contained in the Business Planner is true in all aspects, and that the projections made herein are based on realistic assumptions.

I agree to have Community Futures Treaty Seven discuss my application with any other organization, department or financial institution that may be involved with my loan application.

I authorize Community Futures Treaty Seven to obtain factual and investigative information regarding me and my business from others as permitted by law, to furnish consumer credit grantors and credit bureaus particulars of the credit application and subsequent credit experience, if applicable, and to retain this application for the CFT7 records.

Date: _____

Signature(s): _____

Witness: _____
Signature

Print Name & Title