

# BUSINESS PLANNER



**Section 1 – GENERAL INFORMATION**

Business Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: Business \_\_\_\_\_

Residence \_\_\_\_\_

Cell/Mobile \_\_\_\_\_

Is this a new or existing business:            New                            Existing  
Is this business located on or off reserve?    On Reserve            Off Reserve

If this is an existing business, when was it established? \_\_\_\_\_

What form, if any, of ownership is your business?

- Sole Proprietorship
- Corporation
- Partnership

Who are the owners of your business? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If this is an incorporated company or partnership, please complete the following:

<i>Name:</i>	<i>% of Ownership</i>
_____	_____
_____	_____
_____	_____

**Section 2 – EXECUTIVE SUMMARY**

Brief Summary of the high lights of your business proposal: (how did you get started and whom do you work for?) The nature & amount of loan being requested (what is the purpose?)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



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The contact persons name (who will manage the business and what management experience does he/she have?)

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What are the costs related to your loan request?

1. Equipment	\$	_____
2. Insurance	\$	_____
3. Operating Capital	\$	_____
4. Miscellaneous (detail)	\$	_____
5. Other	\$	_____
_____	\$	_____
_____	\$	_____
<b>TOTAL</b>	\$	_____

List the sources of funds:

1. Down Payment	\$	_____
2. Grants (if applicable)	\$	_____
3. Loan	\$	_____
4. Other	\$	_____
_____	\$	_____
_____	\$	_____
<b>TOTAL</b>	\$	_____

*\* This should balance with your start up costs.*

**Section 3 – OPERATIONAL OUTLINE**

1. List ALL work sources:

- a) \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_
- b) \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_
- c) \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_
- d) \_\_\_\_\_ Contact: \_\_\_\_\_ Phone: \_\_\_\_\_

*(Please attach copies of contracts or letters of intent.)*

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2. List the competitors performing the same work in your area:

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_

3. List your suppliers (i.e., fuel, parts, repairs, inventory, etc.)

- a) \_\_\_\_\_
- b) \_\_\_\_\_
- c) \_\_\_\_\_
- d) \_\_\_\_\_

4. Please list your own equipment to be used in your business, if applicable (include year, make, model, serial number(s), and approximate value). Please provide a copy of registration or Bill(s) of Sale.

<i>Year/Make/Model</i>	<i>Serial #</i>	<i>Value</i>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Section 3 Continued – OPERATIONAL OUTLINE**

5. Please list Key Personnel and Staffing information (experience in industry, business management experience, etc.). *Please attach resumes.*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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6. Professional Services (legal, accounting, insurance) – please provide the name and contact person of the applicable agency.

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7. Does or will your business have an environmental impact? If so, please explain.

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8. What are your short and long-term plans for your business?

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**Section 4 – FINANCIAL OUTLINE**

This section is a very important element to your overall application – it will determine if your business will generate sufficient cash flow to operate the business.

It is a requirement that, at minimum, a 1<sup>st</sup> year month-to-month Income and Expense Statement, as well as a summarized expense statement for years 2 & 3, be provided.

Attached is a blank standardized income and expense statement that needs to be completed by you. Also provided are notes that may assist in the preparation of these projections. If you have any difficulty in completing these projections, professional help can be sought to assist with this task.

## NOTES TO THE INCOME AND EXPENSE STATEMENT

### 1. INCOME

Often income projections for equipment-orientated businesses are based on either contract revenue rates (i.e., hauling rates or harvesting rates) or hourly rates. Monthly projections are often based on the number of expected operating days per month x the daily rate or expected production.

Using gravel trucking as an example, the formula could look like this:

\_\_\_\_\_ operating days/month x \$ \_\_\_\_\_ per load x \_\_\_\_\_ loads a day = \$ \_\_\_\_\_.

Keep in mind that the number of operating days per month varies, as do the rates. It is generally easier to project income on businesses where the equipment is hired out by the hour, as you would use the average number of expected hours to be worked each day times the hourly rate times the expected operating days per month. For example:

\_\_\_\_\_ operating hours/day x \$ \_\_\_\_\_ per hour x operating days/month = \$ \_\_\_\_\_/month

Consideration should also be given to those businesses that operate in areas where inclement (bad) weather affects the number of operating days per month, i.e., spring break-up or months with historically more moisture. NOTE: When projecting income, it is always wise to use conservative income estimated (the lower end figures). If all higher end numbers are used, it may appear that the projected income is unrealistic. **If you have to use higher end income figures to show a profit, then you may want to reconsider starting this type of business.** In addition, when projecting income, provide supporting documentation to your banker, as income must be based on confirmed sources. It may be necessary to provide a contract(s), letters of intent with rate, expected lengths of the job(s), etc. Industry averages can be provided if applicable, i.e., government rates.

### 2. DIRECT EXPENSES

Typically, equipment-related businesses have consistent or common costs for all business operations. Below are the more common direct costs:

#### Repairs and Maintenance (R/M)

These are the costs that are related to maintaining and repairing equipment to keep it in good running order. It is important to a business to not only keep the equipment in good running order, but to have the money available in case of breakdown, or have credit arrangements made with an equipment repair shop to lessen down time. Costs related to repair and maintenance (R/M) vary from business to business; a great deal is dependent on the amount of use the equipment gets, and the type of terrain and conditions the equipment is operated within. It's possible to get confirmation of average expenditures on particular business for R/M from historical financial statements, other business operators, or equipment dealers.

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Often R/M is projected as a percentage of gross income. For example:

Gross revenue \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

Fuel & Oil

This is also based on industry averages or historical data. This expense is generally calculated the same as R/M:

Projected gross income \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

The percentage of gross income used can vary depending on, in the case of trucking, the type of hauling, distances, highway or off-road. So it is important to use the proper percentage calculation.

Wages

These are usually calculated on an hourly wage x the number of hours worked.

**3. INDIRECT EXPENSES**

These are those expenses that are incurred in the normal operation of your business. Please refer to the attached Projected Income Statement. Please note that some of those expenses may not apply to your business.

**When listing your projected expenses, please provide notes on how you arrived at those numbers.**

