



FIRST PEOPLES

economic growth fund

Business Plan Minimum Information Requirements

Please note that the following is a guideline identifying the minimum information requirements of your business plan. Accordingly, the business plan should be tailored to the particular business opportunity.

Please be advised First Peoples Economic Growth Fund may require your business plan contain information in addition to the minimum information requirements listed below. It is highly recommended to contact a First Peoples Economic Growth Fund representative to ensure the business plan being prepared will adequately provide the minimum information requirements.

Executive Summary

- A brief (one to two page) summary describing the overall highlights and key elements of the business plan (e.g. type of business, market, advantages, strengths and risks, overall viability, etc.).

Business Description

- Business overview
- Physical location
- Capital assets/facilities required
 - Provide information on any **liens or caveats** against the property being purchased (if applicable)
- Outline of start-up or expansion costs
- Ownership structure (i.e. sole proprietorship, partnership, corporation (provincial/federal))
 - If a partnership or corporation, please provide a partnership agreement or shareholders' agreement (if more than one shareholder exists); for a corporation, please provide copy of the Articles of Incorporation and By-Laws
 - If a joint venture, please provide the joint venture agreement
- Percentage of Aboriginal ownership
- List of required business permits/licences/certificates
- Business objectives
- Services/products to be offered
- Expected benefits
- Key risk factors

Project Costs and Financing

- Detailed listing of project costs (i.e. capital, inventory, (start-up) operating and marketing)
- Provide a detailed overview of the capital costs, relating to the purchase/creation of the business, requirements for equipment, assets, personnel or other expenditures to detail complete project costs
- Summary of financing components (i.e. proof of client equity, government assistance and commercial financing)
- Available sources of government assistance
- Potential sources of commercial financing
- Reference to supplier quotations or calculated industry estimates
- Infrastructure requirements and associated costs.

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Market

- Industry and current market place trends
- Describe and summarize any relevant political, economic, technological and demographic developments which may impact the business and its industry
- Describe the short and long term prospects for growth and profitability
- Identify target market
- Determine dependency of buying activities on local, national or global economic conditions/demographic shifts
- Major competitors
- Major suppliers
- Potential customer base.

Sales and Marketing

- Pricing strategy/comparison to competitor rates
- Promotion/marketing strategy
- Marketing media opportunities/selected methods
- Potential sales/revenues
- Credit and collection policies.

Operations

- The management team
 - Managerial attributes (identify training requirements)
 - Employee (identify training requirements)
 - Describe contingency plans and potential risk factors in the event that management is unable to perform their duties for any reason
 - Describe key strengths and weaknesses of the ownership structure and management strategy
 - Provide a brief overview of the various roles and job duties performed
- Provide a general operating plan including a description of the day-to-day operations, hours and days of operation, seasonality of the business, customer service level, customer payment terms
- Identify key management controls (i.e. cash, inventory, scheduling, credit, quality control, etc.)
- Describe Aboriginal and non-Aboriginal employment created (full time, part time, seasonal, temporary)
- Indicate method of payment (hourly, salary, commission, other compensation)
- Identify potential wage subsidy programs/community financial support for employment
- Identify major suppliers and respective credit terms
- Identify major risks and risk management/provide risk mitigation plan
- Provide a detailed overview of the relevant strengths and weaknesses of the proposal, including any supporting rationale
- Describe the tangible and intangible benefits to the community and surrounding areas.

Financing

- Terms and conditions of government assistance
- Terms and conditions of commercial financing (i.e. term, interest rate, security, reporting and performance conditions)
- Commercial loan repayment plan
- Other sources of project financing and contact information
- Provide a detailed overview of a potential financing structure, including owner equity position
- Provide a detailed overview of financial strengths and weaknesses, including any supporting rationale
- Analysis and overview of the vendor's financial statements (if applicable).

Environmental Issues

- Determine whether environmental issues exist, the method to address these issues, and the associated costs
- Determine whether consultations or community support is required



- Outline necessary environmental approvals, permits and licences
- Describe environmental damage mitigation strategies.

Consultations

- Listing of all third party contacts pertinent to the content of the business plan.

Financial Projections

- General schedules:
 - Summary of project costs and financing
 - Financial performance measures:
 - Total revenue
 - Gross margin percentage
 - Net income (before and after income tax)
 - Funds from operations
 - Ending cash balance
 - Minimum cash balance (to determine operating line amount, if required)
 - Net worth
 - Current portion of long term debt
 - Management fees/proprietor's or partner's drawings
 - Fixed cost portion of administration expense (overhead)
 - Breakeven revenue (dollar amount and percentage of revenue)
 - Return on investment
 - Current ratio
 - Working capital
 - Debt to equity ratio
- Pro forma financial statements (including all assumptions) for 5 years (year 1 to be presented in a monthly format) to include the following schedules:
 - Cash flow
 - Income statement
 - Balance sheet
 - Statement of changes in cash flows
 - Capital assets and depreciation
 - Long term debt amortization
 - Revenue summary
 - Direct cost summary
- Other supporting schedules as required.

Appendices

- If existing business, minimum of last three years' Historical Financial Statements
- Résumé(s) of owner(s)
- Actual quotes for equipment purchases and costs with supplier terms
- Copy of building blueprints/floor plans and quotes
- Information on any **liens or caveats** against the property being purchased (if applicable)
- Required licences/permits/environmental reports
- Letters of reference/letters of support
- Appraisal reports.

