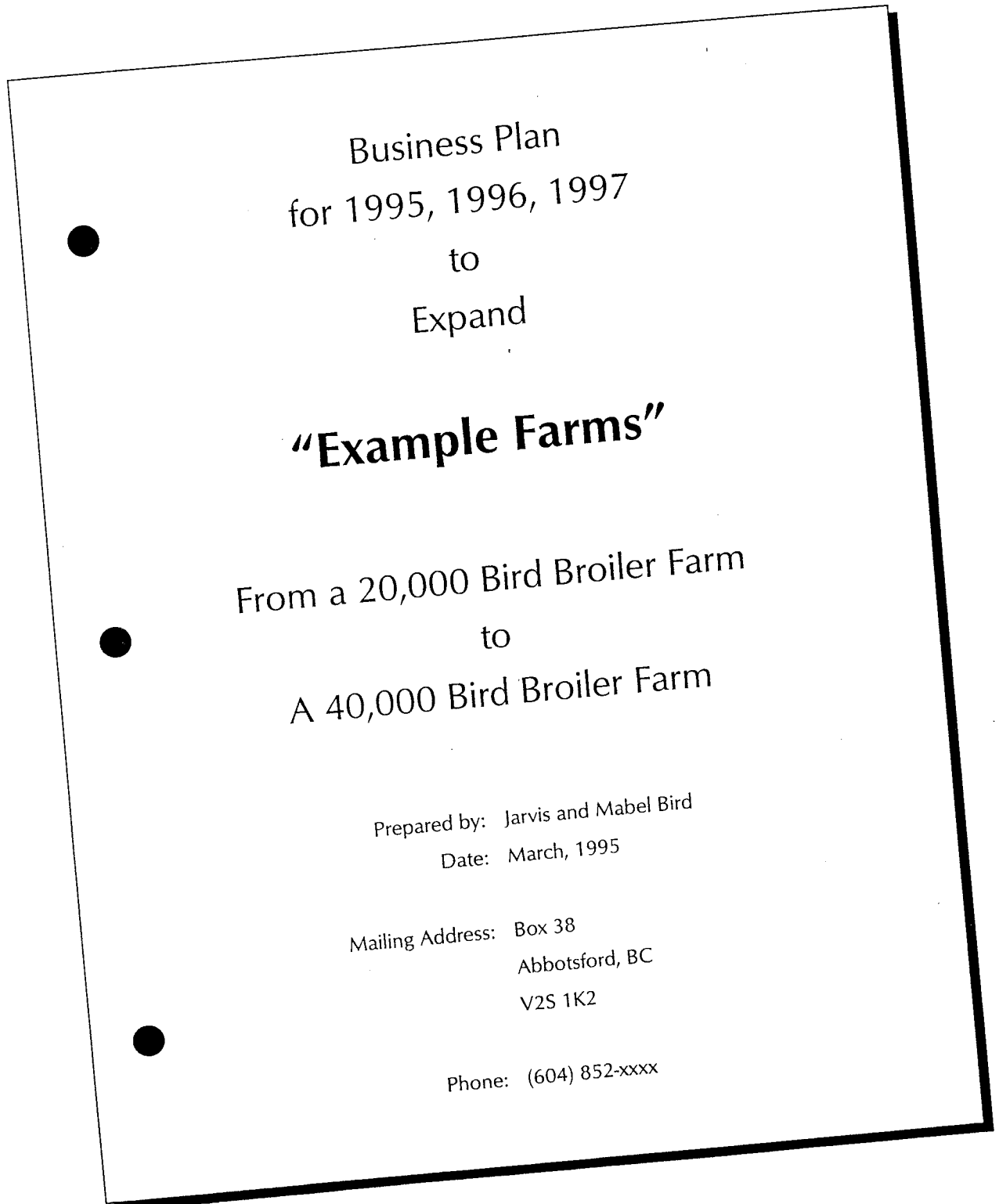


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## TITLE PAGE

The title page helps your business plan look professional. Remember that first impressions are very important, especially to bankers, who see many plans.

As the example on the right shows, include your firm's name, the period the plan covers, the date your plan was prepared as well as a contact person, phone number and address.



# TABLE OF CONTENTS

The Table of Contents outlines the topics covered by the plan. It allows the reader to jump immediately to those sections which are of most interest.

Remember that people who may read your plan, such as prospective readers, are busy people. The Table of Contents is a road map of where they can find more detail on each topic.

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# BUSINESS PROFILE AND SUMMARY

This section should attract the reader's interest, outlining the basics of your business and encouraging him or her to read the remainder of the plan. This section is provided to give them the basics.

As the example shows, this section includes:

- the purpose and concept of the business
- required financing and sources
- business targets and how you intend to realize them.

You will probably find this section easier to prepare after you have completed the rest of the plan. The information presented here has been summarized from the Financial Plan contained within this Business Plan.

The summary and profile should be written with the reader and purpose of the plan in mind. A summary to be read by a manager of a credit institution may be different from one prepared for a potential equity investor.

This example, for expanding an existing business, projects income and net worth for the next 5 years. Information on current cash flow and existing bank indebtedness should be included as well as projections.

# PROJECTED INCOME & NET WORTH EXAMPLE

ITEM	1994	1995	1996	1997	1998	1999
PRODUCTION REVENUES	\$274,924	\$357,500	\$429,000	\$429,000	\$651,200	\$651,200
CASH FROM OPERATING EXPENSES	26,838	24,604	38,091	39,966	74,173	82,507
BANK INDEBTEDNESS END OF YEAR	(33,895)	(98,003)	(129,643)	(108,194)	(132,456)	(70,988)
TOTAL NET WORTH	373,174	410,859	451,740	449,414	524,856	526,903
CHANGE IN NET WORTH FROM PREVIOUS YEAR	11,830	37,685	40,881	(2,326)	75,442	2,047

# SUMMARY EXAMPLE

## Purpose of the Plan

The plan outlines our business concept to expand a 20,000 bird quota farm to a 40,000 bird quota farm within a 5 year planning time frame.

## Financial Structure of the Business

The on-going business is represented the following requirements and remaining depreciated values of investments as of December 31, 1994:

- \$123,551 for buildings and equipment,
- \$350,000 for land,
- \$54,267 for quota,
- \$34,638 as revolving operating capital.

The current depreciated value of equity capital invested by the owners to date is \$339,279. The business has total liabilities of \$236,187, secured by chattel mortgage and assignment of accounts receivable.

## Business Activities and Targets

### Marketing

- Projected broiler price required to cover variable costs: \$0.912/live kilogram.
- Projected broiler price required to cover total cash costs (excluding depreciation and living expenses): \$1.024/live kilogram.

### Production

- Increase rate of weight gain: By year 5, to realize a feed conversion ratio improvement from 1.80 to 1.70 kg. feed per kg. live weight production.
- Reduce rate of mortality to less than 5%.
- Reduce processor condemnations to under 1.3%
- Reduce potential pollution concerns through adoption of improved waste management practices.

### Labour

- Involve family members in farm organization and management.
- Plan for farm transition/estate planning.
- Improve labour and management skills.
- Improve safety conditions for all workers.

### Financial

- Finance farm equity and cash flow requirements out of retained earnings.
- Expand from a 20,000 bird quota to a 40,000 bird quota operation within the next 5 years.
- Increase farm net worth by 33% in the next 5 years.
- Generate a 5% return on investment by year 4.