

NASKAPI COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION

APPLICATION FOR BUSINESS ASSISTANCE

May, 1998

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PURPOSE OF THE APPLICATION

The Application for Business Assistance (the “Application”) represents the first step in the planning of your proposed business. The purpose of the Application is two-fold:

- ≡ to introduce the applicant to some of the general questions that need to be answered before deciding whether a proposed business has a reasonable chance of succeeding;
- ≡ to help the Naskapi Community Economic Development Organization (“CEDO”) to understand whether the applicant is aware of the implications of starting and operating a small business, to provide to the applicant its preliminary assessment of the proposed business, as well as its assessment of the costs associated with starting and operating the said business.

The Application is not a business plan. Although many of the questions asked in the Application will also be included in a business plan, additional information will be required in order to complete a proper business plan. The complexity of the business plan will depend largely on the scale of the proposed business. After receiving the CEDO's assessment of the proposed business, the applicant will decide whether to proceed to the next step: the preparation of a business plan. Although the preparation of that plan is the responsibility of the applicant, the CEDO can provide certain technical assistance and other relevant information.

The questions in the Application are divided into four general sections: Personal Data, Knowledge of Small Business Development, Project Data, and Financial Data. Each section begins with a brief statement explaining the reasons why the CEDO needs to obtain the requested information. All of the information provided by the applicant will be kept strictly confidential.

If you require any assistance in completing the Application, please do not hesitate to contact Ms Theresa Chemaganish, Training Coordinator, Telephone (418) 585-3082, or Mr Balgovind Pande, CEDO Facilitator, Telephone (514) 482-6887.

PART ONE - PERSONAL DATA

The information obtained in this section will provide the CEDO with general data on the applicant's level of education, current and past employment, total assets and liabilities, and information on the financial institution where banking transactions are conducted. Certain data will be entered into a labour market information computer database that is being maintained by Ms Theresa Chemaganish, Training Coordinator.

1.1 Name _____
Mailing Address _____

Telephone Number _____
Date of Birth _____
Marital Status _____
Name of Spouse _____
Number/Age of Dependants _____
Social Insurance No. _____
Beneficiary No. _____

1.2 **Education**
Last Grade Completed Successfully _____ Year Completed _____
Other Training: Certificate/Diploma/Degree

Year Completed _____

Year Completed _____

Year Completed _____

1.3 **Current Employment**
Employer _____
Type of Work _____
Weekly Salary _____
Employment Status Full-time _____ Part-time _____
Permanent _____ Seasonal _____

Start Date _____

Completion Date (if seasonal employment) _____

1.4 Employment History (last 2 positions)

Employer _____

Type of Work _____

Weekly Salary _____

Start Date _____

Completion Date _____

Employment Status Full-time _____ Part-time _____

Permanent _____ Seasonal _____

Reason for leaving _____

Employer _____

Type of Work _____

Weekly Salary _____

Start Date _____

Completion Date _____

Employment Status Full-time _____ Part-time _____

Permanent _____ Seasonal _____

Reason for leaving _____

1.5 Summary of Net Worth

Assets

Estimated Value

Personal Savings \$ _____
House/Cottage \$ _____
Vehicles \$ _____
\$ _____
Other Investments \$ _____
\$ _____
TOTAL ASSETS \$ _____

Liabilities

Amount

Rent (Annual Payment) \$ _____
Energy (Annual Payment) \$ _____
Personal Loans (Principal Owing) \$ _____
Car Loans (Principal Owing) \$ _____
Charge Accounts (ie. credit cards) \$ _____
\$ _____
Other Accounts Owing \$ _____
\$ _____
TOTAL LIABILITIES \$ _____

Total Assets - Total Liabilities = Net Worth \$ _____

1.6 Where do you conduct your banking?

Financial Institution _____
Mailing Address _____

Telephone Number _____
Contact Person _____

PART TWO - KNOWLEDGE OF SMALL BUSINESS DEVELOPMENT

The information obtained in this section will help the CEDO to evaluate the level of understanding of the applicant in regard to starting and operating a small business. The information will also help the CEDO to determine the focus and the content of future business development training programmes.

2.1 What is a small business?

2.2 Name a business that is in the *service* sector.

2.3 Name a business that is in the *retail* sector.

2.4 Name a business that is in the *manufacturing* sector.

2.5 Name a business that is a combination of two categories (retail and service, manufacturing and retail, manufacturing and service);

2.6 What is the difference between a business idea and a business opportunity?

2.7 What are some of the advantages of owning your own business?

2.8 What are some of the disadvantages of owning your own business?

2.9 What are some of the main characteristics of a successful person?

2.10 What is a business plan?

2.11 Who is responsible for preparing a business plan?

2.12 What are the main reasons for preparing a business plan?

2.13 What are the benefits of preparing a business plan?

3.3 How will you structure the business?

a) sole proprietorship _____ b) partnership _____ (check one only)

If the business will be a partnership, who will be the owners, and what will be their percentage of ownership?

	<u>Name</u>	<u>Percentage</u>
1.	_____	_____ %
2.	_____	_____ %
3.	_____	_____ %

3.4 Why do you want to start this business?

3.5 What skills or knowledge do you need for this business?

3.6 Why do you think that you can operate this business?

3.7 Why do you think that there is a need for this business?

3.8 Are there similar businesses already operating in the Kawawachikamach/Schefferville area?

3.9 If a similar business exists, explain why your business will be better?

3.10 How will you find out if your business will have customers?

3.11 If you do a survey of your market (ie. the people who could be your customers), what questions will you ask them?

3.12 Will your business have to depend on suppliers?

3.13 If you will need suppliers, who are they and where are they located?

3.14 What equipment and supplies will you need to start the business? (attach list, if necessary)

3.15 Will you operate the business from:

(a) your home (b) a separate building (circle one only)

If you circled (b), where will the building be located?

3.16 Will you need any permits to operate the business? If so, which?

3.17 Will your business accept credit? If so, why?

3.18 If you answered *Yes* to Question 3.17, how will you decide whether to offer credit to potential clients?

3.19 If you answered *Yes* to Question 3.17, how will you ensure that clients pay their credit accounts?

3.20 How many hours per week do you think that you will spend working at the business?

3.21 How much do you think your weekly earnings will be?

3.22 How many and what type of jobs will your business create? If you intend to hire employees, how much do you plan to pay them?

3.23 Do you plan on using the services of a business advisor to assist you with the administration of the

business, such as, bookkeeping and accounting?

Yes _____ No _____ Don't Know _____ (check one only)

If you answered *Yes*, what organization will assist you and how much will they charge you for the services rendered?

If you answered *No*, who will ensure that the administration is completed properly?

If you answered *Don't Know*, please indicate the reasons why that is the case, and when you expect to know how the business will be administered.

PART FOUR - FINANCIAL INFORMATION

The information obtained in this section will help the CEDO to understand the estimated start-up and operating costs of the proposed business, the amount of funding being requested by the applicant, and the personal contribution that the applicant will make to the proposed business. The information will assist the CEDO in determining whether to reserve funding for the proposed business. If, after reviewing the information, the CEDO considers that additional information is required in order to fully understand the costs associated with the proposed business, or its viability, it will ask the applicant to answer specific questions or to submit a proper business plan, prior to committing funding.

4.1 What are the estimated *start-up* costs (ie. the money that will have to be spent before the business begins to operate, such as the purchase of equipment, construction of a building, and professional services) of the business?

4.2 How much of your personal finances are you willing to contribute to the start-up costs of the proposed business?

4.3 If the proposed business is a partnership, how much funding is the partner willing to contribute to its start-up costs?

4.4 How much funding for the start-up costs are you requesting from the CEDO? Please indicate whether you are requesting a loan, a grant, or a combination of a loan and a grant, as well as the corresponding dollar value for each request:

(a) loan _____ \$
(b) grant _____ \$

Total amount requested _____ \$

4.5 If you are requesting a loan, what guarantees can you provide?

4.6 Are you presently seeking assistance from other sources? If yes, please specify the source, the type of assistance, and the amount requested.

<u>Funding Source & Type of Assistance Requested (Loan/Grant)</u>	<u>Amount</u>
_____	_____ \$
_____	_____ \$
_____	_____ \$

4.7 What will you purchase with the funds specified in subsections 4.4, 4.5, and 4.6?

<u>Item</u>	<u>Amount</u>
_____	_____ \$
_____	_____ \$
_____	_____ \$
_____	_____ \$
_____	_____ \$
_____	_____ \$
TOTAL	_____ \$

4.8 What are the estimated monthly *operating* costs of your proposed business, such as, supplies, wages, rental of building, insurance, and telecommunication expenses?

4.9 How will you pay for the operating costs of your proposed business?

4.10 How will you pay for the operating costs of the business in the event that your revenues are lower than expected?

4.11 How will you determine whether your business will be profitable?

4.12 How much profit do you anticipate that the business will make?

4.13 If the profit is not enough to justify starting the business, which expenses can you reduce?

Statement of Client

I, _____ (please print name), certify that to the best of my knowledge, the information given on this Application is true and correct. The CEDO is hereby authorized to check the accuracy of the information presented herein, to input the personal data specified in Part One into the Labour Market Information database, and to obtain credit reports on me. I understand also that the CEDO, after reviewing the Application, may require additional information prior to committing funding to the proposed business.

Signature of Applicant

Date

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