



## NORTIP Development Corporation

*An ACOA Partner, Serving Rural Atlantic Canada*

### BUSINESS PLAN GUIDELINES - FISHERY

To begin the process of preparing a business plan, the applicant should research the business idea to obtain information on: licenses and permits; buyers; fishing grounds; assets required; methods of operation; crew members; and suppliers.

The business plan is a very important document. It informs the reader of your business idea, how the business will operate, where the customers will originate and how well you believe the business will perform in the next three to five years. Without it the reader will have no idea of your competence, whether or not the business is viable and whether you have reasonable expectations of the business' ability to be profitable. The attached business plan guideline will help you in the preparation of a formal business plan. **The attached forms are not a substitute for a business plan**, but it will help guide you to obtaining the necessary information.

For a person that has an existing business, he or she will know that a great deal of work and effort must be made each day in order for the business to have a chance at success. A person wanting to start a business may not be aware of the significant personal sacrifice that must be made to operate a business. Preparing a formal business plan is not a futile effort. Completed properly it will alert the entrepreneur to possible problems he or she could encounter. It can provide alternative courses of action that will help solve problems. The projections are a budget that will help guide spending and highlight problem areas within the business. The use of monthly financial statements along with the business plan can help a business person discover problems more quickly. Discovering a problem early is a very important component of solving that problem.

It is important to provided detailed analysis of the costs required to fund the venture. These details will give the applicant a better idea of the amount of funds required. It is important to be sure that all costs have been included. If the loan is approved for an insufficient amount, then the venture will have difficulty getting started. It is equally important to insure that the applicant is not seeking too much funding. Every dollar has to be repaid, plus interest, so it is in your best interest to request only the amount required.

**A. BUSINESS DESCRIPTION:**

(This is a summary of your business/project. Provide detailed accurate comments.)

1. What species do you fish? Do you plan to fish any new species? What are they?
2. Where are your fishing grounds? How far do you travel?
3. What size vessel do you currently fish with?
4. How many jobs will you create? What type of jobs will they be?
5. If yours is an existing business, has it been successful? Yes \_\_\_\_\_ No \_\_\_\_\_

*Attach Income tax returns for the past three years for each borrower.*

5. Do you plan to change the size of your vessel or purchase another vessel? How big will the vessel be?
6. Are there any planned changes in quotas or regulations that you are aware of, for the next year or more?
7. Do you have the necessary cubic numbers and fishing licenses? Attach copies of all licenses and permits.
8. What is your HST number?

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**B. OWNERSHIP AND MANAGEMENT**

(Please complete the attached Personal Statement of Financial Affairs on Principal Owner(s) and/or Co-Borrowers. See Section F)

1. Do you and your crew have CORE Status? \_\_\_\_\_  
\_\_\_\_\_ If any one does not have CORE Status, Who? \_\_\_\_\_

2. What is form of your business? Corporation, Proprietorship, or Partnership.  
If incorporated, what is your corporation number and date of incorporation?

\_\_\_\_\_  
If not incorporated, when did you start fishing on your own? \_\_\_\_\_  
\_\_\_\_\_

3. Please list your sharepersons (crew) and key management personnel.

Name	Position	Years Fishing	Share	CORE Status
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

4. Please provide **resumes** of the crew, with special emphasis on experience including:

- a) Managerial or operational experience in this type of business.
- b) Managerial or operational experience in other types of businesses.

4. Please provide any licenses or special permits that the owners must have to operate the business. Include any related diplomas or certificates awarded by educational institutions.

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**C. FINANCIAL**

(Provide details of required financing through Nortip Development Corporation by answering the following questions:)

1. How much money are you seeking? \$ \_\_\_\_\_

2. How many years will need to repaid the funds? \_\_\_\_\_  
\_\_\_\_\_ Are there any months that you will need to pay interest only? \_\_\_\_\_

\_\_\_\_\_ Is there a specific amount you believe you will be able to pay each month? \_\_\_\_\_

What security will be offered for the loan? Do you own a vessel now?

3. What is the TOTAL Cost of your proposed project? \$ \_\_\_\_\_

How will the money be spent?

Vessel Purchase	_____
Vessel Improvements	_____
Equipment	_____
Gear	_____
Working Capital (Provide Details)	
Insurance	_____
Refinance debt	_____
Other _____	_____
Legal Fees	_____
Other _____	_____
	_____

\$ \_\_\_\_\_

5. How much of your own money will you be contributing to the project? \$ \_\_\_\_\_

6. Have you dealt with the Fisheries Loan Board? Do you owe them any money right now?

7. Please attach the following information:

- a) Your business must be an **existing** business. Please include the following:
  - Copy of your financial statements for the past **three** years. If a proprietorship, please include your Income Tax Return for the past **three** years, as well as a current Balance Sheet.
  - Projected Profit and Loss Statement for the next **three** years with the first year's projections broken down by month.
  - A detailed Cash Flow Statement for the next **three** years with the first year's projections broken down by month.
- b) Attach copies of cost quotations for assets to be purchased.
- c) If constructing, renovating, or purchasing a vessel, then attach the survey report or Coast Guard Inspection Certificate (CIS), vessel registration and the brand name, model and serial number of equipment to be purchased. ,

**E.     MARKETING**

**(Please complete the following market questions as accurately as possible. Markets are the most crucial area for businesses. Without a sound and viable market plan, no business can hope to survive.)**

1.     Industry:  
What are the economic conditions in the area in which you plan to sell and are there any new developments or opportunities for growth?
  
2.     Products or Services:  
Where do you normally sell your catch?     (Species, Company and Location)
  
9.     General Comments:
  - a)     Add any general or miscellaneous comments relating to the marketing that are not mentioned above.
  
  - b)     Please provide any additional information related to your proposal that is not included in any other section of this proposal.