



Business Plan Form

Effective 03-02-2010

Business Plan Attached

If a business plan is attached it should contain at least all of the information requested in this form. You do not have fill in this form if you are attaching a business plan. The higher the quality of the business plan the easier it is to assess the viability of your project – give as much information!

PLEASE NOTE: IF THIS PROJECT IS APPROVED YOU WILL BE REQUIRED TO SIGN A CONTRACT WITH CEDA AND THIS BUSINESS PLAN WILL FORM PART OF THE CONTRACT – THERE ARE CONSEQUENCES FOR NOT PERFORMING AS PER THE CONTRACT (e.g. calling in of the loan, calling on personal guarantees).

PLEASE TAKE THIS BUSINESS PLAN SERIOUSLY

Yes [] No []

Introduction and Capital Costs

How long have you / company been trading for?	
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Project Capital Costs	
	Pula
Detail the cost of the project covering at least the following items:	
How much will the land cost? (if required or not rented)	
How much will the buildings cost? (if required or not rented)	
How much will the machinery cost?	
How much will the transport cost? (if vehicles required for business)	
How much will the furniture & fixtures cost?	
How much will the installations of machinery and utilities (water, electricity, telephones) cost?	
How much will it cost for technical assistance (advice, designs, accounting)?	
How much will the working capital be? (debtors + stock + cash on hand - creditors)	
What other costs are there and how much are they?	
TOTAL PROJECT COSTS	

Financing Plan		
Indicate how the project is going to be funded showing at least the following items:		
Owners contribution: How much will you be putting into the business: Cash Assets (land, transport, equipment?)		Amount
Other loans: What other loans do you have at the moment or intend to borrow to finance this project?	Bank Name	
Overdraft facilities What overdraft facilities do you have?		
	CEDA LOAN	
Total Project Financing		

Ownership and Management

Management Team

Who will manage the business? Indicate their suitability to do so (e.g. experience in this kind of business or in this sector).

Name	Experience

Owners Personal Balance Sheet

Personal Balance Sheet of:					
Spouses name:					
Married in/out of community: Yes/No					
ASSETS:					
Immovable Property:					
Plot No	Location	Type of Land	Size	Remaining Lease	Estimated Value
Movable Assets:					
Type of Assets	Original Cost	Year of Acquisition	Net Book Value		
Vehicles					
Machines and Equipment					
Furniture and Fixtures					
Livestock					
Debts / Receivables					
Shares in Companies					
Other Assets					
Fixed Deposits with Banks					
Cash at Bank and in Hand					
Total Assets					
LIABILITIES:					
Loans secured by Mortgage over Immovable Property					
Loans under Hire Purchase					
Tax Liabilities					
Personal Loans					
Creditors					
Other Liabilities					
Any contingent liability as guarantor for other or bonds over property / assets used as security					
Total Liabilities					

Present Proposal

Project Location

Give the location and plot number, where applicable, of the project. In the case where the project is going to lease premises, provide the lease agreement.

Production Process

Give a clear production process from raw material stage to finished goods. How will you produce the goods you want to sell?

What is the most you can produce? (Estimated capacity and useful asset / plant life (where applicable)).

How long before you have to replace your plant / equipment? (Plant / equipment replacement schedule).

How much will you be producing at the start of the project and when will you increase your production, by how much? (Build up of capacity utilization and breakeven capacity utilization).

What could go wrong with the production process and what measures will you put in place to overcome it? (Discuss possible production risks).

Market	
<p>Target Market: Who will you sell your services or product to?</p>	
<p>Market Size: How many products/services in total could be sold and at what price?</p>	
<p>Competitors: The current suppliers of goods and services: Who is selling these services or goods now?</p>	
<p>Market share of your competitors: How many of your kind of products are being sold at the moment? How many people or companies are buying the services you want to sell? At what price are the goods or services being sold? What percentage of the market is supplied by each competitor and at what price?</p>	
<p>Market share your project intends to archive: How many of the products or services will you sell or supply? What percentage of the market does your operation aim to capture?</p>	
<p>Market strategies the project will use to gain this market share: What will you be doing differently from your competitors in providing your product or service (Will you be cheaper, or have better quality or have better service?)</p>	
<p>Distribution channels: How will you get your product or service to the buyers?</p>	

<p>Supply Channels: Where will you get your products or your raw materials? How many suppliers are there? How reliable are your suppliers?</p>	
<p>Pricing: What is the price your competitors are selling products like yours for? What price will you sell your product or service for? How much profit do you make on each sale? (i.e. selling price less cost price).</p>	
<p>Promotions: How will your target market know of your existence and why will they buy from you?</p>	
<p>Analyze possible market risks: How can your competitors stop you from selling? Have the suppliers been in business for a long time? What will stop suppliers from selling to you? How reliable is transport to the people you want to sell to? What will stop buyers from buying from you? What are the measures put in place to minimize the risks?</p>	

Implementation Schedule

Promoters are required to give an implementation schedule of the project. Approval of the loan will lapse after six months if the project does not start. Detailed implementation for completion of various activities such as planning permissions, financing, construction, administrative issues and technical matters. Describe separate phases where appropriate. A bar chart (Gantt chart) can be used to show various stages of the project.

When will the project start?	
What is the first thing that must happen? When?	
List the activities that must happen thereafter with reasonable dates:	

Project Benefits

Why is this project a good project – who will it help? How much employment will it create? How is the community better off if this project is successful? How is the economy better off if this project succeeds?

Inputs and Employment

Indicate what inputs are required, the cost of the inputs by showing at list the following items:

Total cost of raw materials?	
How much will transport cost you?	
Is there a cheaper place to buy stock from?	
How many people will you employ and what kind of skills should they have? What wages are you going to pay your employees?	
Are you going to train your employees? How much will training cost? Will you be going on training? How much will it cost?	
What other costs could there be? Electricity Water Telephone Stationery Petrol Etc.	
Loan Repayments	
TOTAL	

Financial Projections

	Actual	Projected				
		Year 1	Year 2	Year 3	Year 4	Year 5
TRADING RESULTS						
Total Sales						
Stock on Hand at beginning of period						
Total Purchases						
Total Stock on Hand at end of period						
Gross Profit						
Total expenses						
Depreciation						
Loan repayments						
Tax paid						
Net Profit						
Assumptions						
Sale units						
Sales price						
Variable costs						
Overhead expenses						
Depreciation rates used						
Tax rates used						
Other assumptions						

	Actual	Year 1	Year 2	Projected		
				Year 3	Year 4	Year 5
BALANCE SHEET						
Fixed Assets						
Less Accumulated Depreciation						
Net Fixed Assets						
Investments						
Current Assets						
Stock						
Debtors						
Cash at Bank						
Total Current Assets						
Current Liabilities						
Creditors						
Taxation						
Loans - current portion						
Bank overdraft						
Total Current Liabilities						
Net Current Assets						
Total Net Assets						
Capital Employed						
Equity						
Share Capital						
Retained Earnings						
Capital Reserve						
Shareholders Loans						
Shareholders Interest						
Grants						
Long Term Liabilities						
Loans						
Deferred Tax						
Total Capital Employed						

CASHFLOW						
Gross collections						
Increase in shareholders loans						
Interest income						
Increase in bank loans						
Total Inflow						
Payments to creditors/ stock purchase						
Sales tax and customs duty						
Total expenses paid						
Net cash inflow before financing						
Loan repayments						
Interest on overdraft						
Taxation paid						
Asset purchases						
Net cash inflow after financing						
Balance b/ fwd						
Balance c/ fwd						

Risk and Sensitivity

A statement of possible risks is required, capital expense overruns, limited market penetration, labor and technical risk factors. Address how those will be overcome. Where considered necessary, an environmental impact assessment study may be required. Determine what components of the forecasted cash flow affect viability of the project significantly, such as decreases in sales, changes in input cost or in market share.

What could stop me from succeeding?	
Is my machinery insured?	
Am I insured?	
Can somebody in my family take over if I am ill?	
Can I get spares for my machinery?	
What will stop me from selling the amount I said I would sell?	
Does the price of my stock go up quickly?	
Can I get enough people into my business to do the work?	

SWOT Analysis

Promoters are required to give a summary of the strengths, weaknesses, opportunities and threats of the project. Strengths and weaknesses are internal to the company while opportunities and threats are external to the company.

What is my business going to do better than my competitors?	
What is strong in my business?	
What is weak in my business?	
Where else can I increase my sales?	
What can hurt my business?	

Security

Detail the nature of security offered such as property, other assets and guarantees. Remember assets offered as security, should not be encumbered by any other financiers or creditors.

Description	Age	Original Cost	Open Market/Book Value	Estimated Forced Sale Value
Immovable property (Lot no, location)				
Machinery and Equipment				
Motor Vehicles				
Livestock				
Bank Guarantee				
Any other guarantee				
Life Insurance Policy (surrender value)				
Other				

Declaration

I/we hereby declare that the information provided above is, to the best of my/our knowledge and belief, true and correct. I/we further declare that the money borrowed shall be used solely for the purpose indicated above and that there is no legal impediment for the intended use.

Signed _____

Managing Director/Principal Partner/Principal Applicant



Authority:

Applicant's Name:
Business Name:
Address:

Date:

Chief Executive Officer
CITIZEN ENTREPRENEURIAL DEVELOPMENT AGENCY
Private Bag 00504
Gaborone

Dear Sir or Madam:

In connection with my / our loan application in the amount of Pula _____

I am hereby giving my personal consent to CEDA to contact my bankers, namely:

_____ at _____ Branch bearing account number _____ and
_____ at _____ Branch bearing account number _____

As well as my accountants
namely _____

at _____

I hereby authorize my Bankers and Accountants / Auditors to provide any information about my / our financial position and credit rating to CEDA, as it may require presentation of this letter.

Yours sincerely,

Authorized Signatory / Signatories

List of Attachments	Tick if attached
The following must be attached where relevant:	
Certified copy of Omang (partners/directors/members)	
Certificate of Incorporation or Registration	
Memorandum and Article of Association/Partnership Agreement	
Resolution by Shareholders/Board Members to apply for a loan where the applicant is a company	
Form 2 (List of Directors)	
Form 4 (Allotment of Shares)	
Bank statement for operating businesses	
Audited financial statements for companies that have been operating for more than 2 years	
Valuation report of immovable property offered as security against the proposed loan	
Title deed for property used as security	
Livestock brand certificate	
Borehole drilling completion certificate, water right certificate, proof of ownership	
Relevant quotations	
Copy of necessary licenses, such as trading license	
Copy of rental/lease agreement	
Copy of franchise/trade agreement	
Personal balance sheet of individuals and partners. Where the applicant is a private company, the personal balance sheets of directors	
Curriculum Vitae of individuals/partners/directors	
Professional and academic certificates	