



**Summer Company**

# **Business Plan**

**Enter your business name here**

Enter your name here

**BE YOUR OWN BOSS**

[www.ontario.ca/summercompany](http://www.ontario.ca/summercompany)



## What is a Business Plan?

Business plans are used by businesses of all sizes to state their objectives and describe how they will be achieved over a specific period of time. In particular, your business plan should say:

- What product or service your business will provide
- How you will market your product or service to gain customers
- How it will operate, where it will be located and what geographic regions it will serve
- What your start-up costs, monthly expenses, sales forecast and expected profits are
- The risks associated with your business and your plan to manage them.

## Why do you need a Business Plan?

Your business plan is your first step toward starting your own business. It is also an essential step in applying to the Summer Company program. It is important to describe your business idea fully so that a program provider can evaluate it and see how you plan to use the award money. Program providers can then help you develop your idea further, or, if it meets all program criteria, recommend you for entry in the program.

## When should a Business Plan be prepared?

The sooner, the better. Sometimes, your first draft of the plan is different from the draft you submit. Starting your plan early helps you fully research and evaluate your idea. And if you need help, you'll have time to get it.

## Who should prepare a Business Plan?

YOU! Assistance from consultants, accountants, book-keepers and experienced business people is definitely helpful. However, business plans are best prepared by the person launching the business.

Think through the elements of your business plan thoroughly so you have a good understanding of your market and what you need to do to be successful. Show your plan to others for advice and comments, and modify it if necessary. The program provider near you is also available to help you at no cost; all you need to do is ask.

## What's in it for me?

Having the clearest possible picture of your business idea is the only way program providers can determine whether you're ready for admission to Summer Company. But most importantly, the business plan gets you to think about your products, customers, competition, marketing and financing so you can move on to the next step: putting your ideas into action.

## How To Use This Template

This business plan template is to help you apply to the Summer Company program. It's important that you read the [program guidelines](#) before you start filling it in.

Be sure to:

- Address the points in each box that are relevant to your business.
- Provide enough detail to explain your idea to someone who isn't familiar with it.
- Contact the [program provider](#) nearest you if you have questions on either the program guidelines or on how to complete this template.
- Upload the business plan in [SCREEN, the Summer Company online application](#).
- Your start-up budget and cash flow projections will also be entered online through [SCREEN](#).

**Note:** When filling in the business plan, the text boxes will expand as necessary. Please re-enter your name and business name.

## Applicant Name

## Business Name

Good business names are catchy and easy to remember. Often, they describe what the business does.

## Executive Summary / Business Idea

The executive summary is often written last as it a summary of the business plan highlights.

### Briefly describe:

- What the business will do; what product you will sell or service you will provide
- Where the business will be located, the date you plan to start, the date you plan to end and the hours you plan to operate
- What makes your product or service unique and/or appealing?
- The market you will serve and your customer profile
- Your advantage over the competition
- Whether your business structure will be a sole proprietorship or a corporation (partnerships are not eligible for Summer Company)
- Your start-up costs, your projected sales and your projected profit.

## Product / Service

Describe the products to be produced or the services/goods you will provide. Answer questions such as:

- Will you make or purchase your products?
- If you are making product(s), what are the processes and the costs?
- Who will be your suppliers?
- What makes your product and/or service unique? How is your business different from others in the industry?
- What features or advantages will entice customers to buy from you (convenience, service, guarantees, etc.)?
- What advantages do you have over your competition?

# Marketing Plan, Part 1 – Customers, Pricing and Sales

Use this section to describe your customers and pricing, to estimate your daily sales and to calculate your weekly sales revenue.

## Customers

- What are the characteristics of your ideal customer?
- What's their income level?
- How many are there in your target area?

## Cost and Prices

- What will you charge for your product or service?
- How did you calculate this price?
- Remember to take into consideration costs such as supplies, overhead, labour, rent and other expenses.
- Remember to also consider what your competitors charge.

## Estimated Sales

- How many units of your products do you think you can sell in a week?
- If you're in a service business, how many jobs can you book each week, or how many projects can you complete?

Use this section to describe your customers and pricing, to estimate your daily sales and to calculate your weekly sales revenue.

**Projected Weekly Sales Revenue** - Based on your prices and sales estimates, calculate your projected weekly sales revenue. For example, if you sell cedar lawn chairs for \$75 each and expect to sell 2 a day, your daily sales are \$75/chair x 2 chairs/day = \$150/day. If you operate 5 days a week, your weekly sales are \$150/day x 5 days/week = \$750/week.

Sample sales projection table:

| Item                    | Price per Item | X | Number of Sales per Day | = | Daily Sales Revenue | X | Days of Operation per Week | = | Weekly Sales Revenue |
|-------------------------|----------------|---|-------------------------|---|---------------------|---|----------------------------|---|----------------------|
| Example:<br>Cedar Chair | \$75 per chair |   | 2 chairs sold per day   |   | \$150               |   | 5 days                     |   | \$750                |

Enter your projections below.

Note: The table below is expandable. To add more rows, press the Tab key. 

| Item | Price per Item | X | Number of Sales per Day | = | Daily Sales Revenue | X | Days of Operation per Week | = | Weekly Sales Revenue |
|------|----------------|---|-------------------------|---|---------------------|---|----------------------------|---|----------------------|
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |
|      |                |   |                         |   |                     |   |                            |   |                      |

## Marketing Plan, Part 2 – Advertising and Other Promotion

Use this section to outline how you will reach your customers through advertising and promotions. Your plan should describe:

1. How you will advertise your product. Include the type of advertising you will use, for example: direct mail, internet, radio, television, etc. How much will it cost? How much business do you think it will bring in?
2. Describe any plans you have to generate media attention for your business. What media will you target?
3. What kinds of marketing materials will you use? Consider brochures, business cards, posters, etc.
4. Will you have a website? If so, describe how you will use it to market your business.
5. What other forms of marketing will you use? Consider tradeshow, telemarketing, cold calling, etc.
6. What will all this advertising and other promotion cost?

## Operating Requirements and Costs

- Will your business be located in your home, a workshop, a retail space, or an office space? Indicate why you have chosen this location. What is your rent, if any? Note: Rent cannot be paid to family members.
- What labour costs will you have? What office supplies and other overhead costs will you have?
- Who are your suppliers, and what do they charge?

## Employee(s)

- Are you going to hire employees?
- If so, you need to apply for an employer number and make certain deductions for employees. Contact Canada Revenue Agency [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca) for information.
- If you have employees, you should also contact the Workplace Safety and Insurance Board [www.wsib.ca](http://www.wsib.ca) to review your insurance obligations.
- Ask your program provider to help you ensure you have covered all your obligations as an employer.

## Regulations

- If you are approved for *Summer Company*, you have to register a business name. You may register your name through the following website [www.serviceontario.ca](http://www.serviceontario.ca).
- Are there any permits or licenses required for your business in your municipality? Examples of this are renovator's permits, health permits, cartage licenses.
- Contact your local Municipal Licensing Commission office about any licensing requirements that apply to you.
- If you are selling a product you will need a vendor's permit (Retail Sales Tax).

## Risk, Part 1 – Success and safety planning

In this section, think about the various risks associated with your business and how you will manage them. It helps to think of risk in four categories.

### 1. Business/Commercial Risk - Planning for Success

Are there ways the business plan you have written might not work out? Examples are:

- What if you do all the marketing and advertising but you don't attract enough customers to meet your sales goals?
- What if the prices for the supplies you need to make your products go up? What if you can't get supplies?
- What if your business expands beyond what you can handle?

Consider whether these and/or other risks could pose a threat to your business, and explain what you will do to counter them.

### 2. Personal Safety Risk

Are there aspects of your work that present a personal risk to you? Is any aspect of your work hazardous?

Examples could be:

- Falling off of ladders or roofs
- Injury due to heavy lifting
- Accidents from power tools
- Injury from hazardous materials, such as exposure to toxic fumes

Consider if these and/or other risks pose a threat to you in the implementation of your work. Describe what you will do to reduce these risks, such as using safety equipment and procedures.

### 3. Employee Safety Risk

Are there aspects of your work that present a risk to your employees, if you will have any? Is any aspect of the work they will do hazardous? Examples of these risks are similar to the ones outlined in the preceding section. Describe what you will do to reduce these risks, such as training employees in the use of safety equipment and procedures. If you hire employees, you are required to provide them accident coverage under the Workplace Safety and Insurance Act (WSIA).

### 4. Third Party Risk Assessment

What aspects of your work might present a risk to your customers or the general public? There are many examples, such as:

- Accident from power tools, lawnmowers or other equipment
- Injury to a customer while engaged in an activity organized by you
- Injury or sickness to a customer from food or other product sold to them by you
- Damage to a customer's property as a result of a mistake by you or one of your employees

Do these and/or other risks exist in your work? Describe what you will do to reduce these risks by using safe practices and procedures.

## Risk, Part 2 – Insurance

Even if you follow all the steps you've outlined in the previous section, certain risks may not be eliminated completely. In case something goes wrong despite your best efforts, you should evaluate the need for insurance. The following is an outline of the types of insurance to consider.

**Commercial general liability insurance** pays damages if you are legally responsible for negligence resulting in personal or bodily injury to a third party and/or damage to their property through your or your employees' actions, or your products. It also gives you a legal defence against allegations of negligence brought against you, whether true or false. In general, program providers will insist on a commercial general liability policy for businesses that involve construction, food preparation, childcare and some sports, adventure and manufacturing activities. Please discuss this with your program provider.

Your **Employee insurance** requirements are governed by the WSIA, as discussed in the Employee(s) section, above.

Be sure to inform your **vehicle insurer** if you plan to use a vehicle owned by you or a family member for business activities. The insurer may request an additional premium for your business use depending on the situation.

If you are planning to run your business from home – either yours or your parents' – be sure to notify the **home insurer**. They may require you to purchase additional coverage depending on their assessment of the risks involved, which could include injury to a visiting client and/or damage or theft to your equipment and/or inventory. If you're planning to operate your business at a location outside your home, you may wish to seek separate **property insurance** to cover damage or theft of your equipment and/or inventory.

Please describe any insurance you intend to purchase and outline the costs in the space below.



## Cash Flow Statement

Now that you have completed your business plan (be sure to finalize the executive summary), you are ready to prepare your cash flow statement. *To do this, use the cash flow tables found in SCREEN, the Summer Company's online registration application.* To log-on to the online system use the *user ID* and *password* you received when you submitted an inquiry on the Summer Company website. **Note:** if you do not have a user ID and password for the online system visit [www.ontario.ca/summercompany](http://www.ontario.ca/summercompany), click the [eligibility checklist](#) and follow the steps.

A sample cash flow is provided below. Contact your program provider for any questions you may have as you complete your cash flow statement and good luck with your application to Summer Company!

### Sample Cash Flow Forecast

**Business Name:** Fancy Pants Clothing  
**Business Type:** Retail store for women's clothing

**Business Start Date:** May 1, XXXX  
**Business End Date:** August 31, XXXX

#### Money Business Receives (Revenue)

| Cash Receipts              | May Forecast    | June Forecast   | July Forecast   | August Forecast | Total Forecast  |
|----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Estimated Sales            | \$ 1,100        | \$ 1,500        | \$ 2,800        | \$ 2,800        | \$ 8,200        |
| Summer Company Award       | \$ 1,500        |                 |                 |                 | \$ 1,500        |
| Owner Cash Contribution    | \$ 50           |                 |                 |                 | \$ 50           |
| <b>Total Cash Receipts</b> | <b>\$ 2,650</b> | <b>\$ 1,500</b> | <b>\$ 2,800</b> | <b>\$ 2,800</b> | <b>\$ 9,750</b> |

#### Money Business Pays Out (Expenses)

| ADVERTISING /<br>MARKETING EXPENSES | May Forecast  | June Forecast | July Forecast | August Forecast | Total Forecast |
|-------------------------------------|---------------|---------------|---------------|-----------------|----------------|
| Business Cards                      | \$ 45         |               |               |                 | \$ 45          |
| Flyers                              | \$ 300        |               | \$ 150        |                 | \$ 450         |
| Internet Ads                        | \$ 60         | \$60          | \$ 60         | \$ 60           | \$ 240         |
| <b>Total</b>                        | <b>\$ 405</b> | <b>\$ 60</b>  | <b>\$ 210</b> | <b>\$ 60</b>    | <b>\$ 735</b>  |

| EQUIPMENT EXPENSES | May Forecast  | June Forecast | July Forecast | August Forecast | Total Forecast |
|--------------------|---------------|---------------|---------------|-----------------|----------------|
| Mannequin          | \$ 250        |               |               |                 | \$ 250         |
| Display Rack       | \$ 150        |               |               |                 | \$150          |
| Telephone          | \$80          |               |               |                 | \$80           |
| <b>Total</b>       | <b>\$ 480</b> |               |               |                 | <b>\$ 480</b>  |

| <b>BANK FEES AND LICENSES</b> | <b>May Forecast</b> | <b>June Forecast</b> | <b>July Forecast</b> | <b>August Forecast</b> | <b>Total Forecast</b> |
|-------------------------------|---------------------|----------------------|----------------------|------------------------|-----------------------|
| Bank Fees                     | \$ 20               | \$ 20                | \$ 20                | \$20                   | \$ 80                 |
| Business Registration         | \$ 68               |                      |                      |                        | \$ 68                 |
| Peddlers' License             | \$150               |                      |                      |                        | \$ 150                |
| <b>Total</b>                  | <b>\$ 238</b>       | <b>\$ 20</b>         | <b>\$ 20</b>         | <b>\$ 20</b>           | <b>\$ 298</b>         |

| <b>INSURANCE EXPENSES <sup>1</sup></b> | <b>May Forecast</b> | <b>June Forecast</b> | <b>July Forecast</b> | <b>August Forecast</b> | <b>Total Forecast</b> |
|--|---------------------|----------------------|----------------------|------------------------|-----------------------|
| Business Insurance                     | \$125               |                      |                      |                        | \$ 125                |
| <b>Total</b>                           | <b>\$ 125</b>       |                      |                      |                        | <b>\$ 125</b>         |

| <b>OTHER EXPENSES</b> | <b>May Forecast</b> | <b>June Forecast</b> | <b>July Forecast</b> | <b>August Forecast</b> | <b>Total Forecast</b> |
|-----------------------|---------------------|----------------------|----------------------|------------------------|-----------------------|
| Inventory             | \$ 800              | \$800                | \$ 600               |                        | \$ 2,200              |
| Cash box              | \$ 45               |                      |                      |                        | \$ 45                 |
| Fees to Events        | \$75                | \$155                | \$80                 | \$ 80                  | \$ 390                |
| <b>Total</b>          | <b>\$ 920</b>       | <b>\$ 955</b>        | <b>\$ 680</b>        | <b>\$ 80</b>           | <b>\$ 2,635</b>       |

|  |                |                 |               |               |                 |
|--|----------------|-----------------|---------------|---------------|-----------------|
| <b>Total Expenditures</b><br><i>Added monthly totals from all the different expense categories</i> | <b>\$2,168</b> | <b>\$ 1,035</b> | <b>\$ 910</b> | <b>\$ 160</b> | <b>\$ 4,273</b> |
|--|----------------|-----------------|---------------|---------------|-----------------|

## Net Cash and Net Profit

| <b>Net Cash</b>              | <b>May Forecast</b> | <b>June Forecast</b> | <b>July Forecast</b> | <b>August Forecast</b> |
|------------------------------|---------------------|----------------------|----------------------|------------------------|
| Monthly Surplus or Deficit   | \$482               | \$ 465               | \$1,890              | \$ 2,640               |
| Cumulative (to date)         | \$482               | \$ 947               | \$ 2,837             | \$ 5,477               |
| Personal Drawings (subtract) |                     |                      | (\$ 1,000)           | (\$ 1,000)             |
| <b>Net Profit / Loss</b>     | <b>\$ 482</b>       | <b>\$ 947</b>        | <b>\$ 1,837</b>      | <b>\$ 4,477</b>        |

<sup>1</sup> If you purchase an annual insurance policy, only the premium for the term of your actual Summer Company business operation should be recorded (i.e. if the annual policy premium is \$600 and your business operates for three months as a Summer Company business, then your insurance cost is \$150).