Community Futures Shuswap

Business loan application and business plan workbook

Everything from the first idea to the finished application, in the order you will need it.

BUSINESS LOANS

Community Futures Shuswap

September 2026

A summary, not a contract

Community Futures Shuswap

What's in here

Read it in order the first time, then use it as a reference.

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Section three — Writing your business plan PAGES 12–19
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Section five — Questions and answers PAGES 28–32
Frequently asked questions, a glossary, and other places to look for financing.

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The page to work down before you hand it in.

How to submit PAGE 34
Where to get the form, and how to submit the application.

What this document is, and is not

This document is a summary of how to apply for a business loan from Community Futures Shuswap. It is not the application form and not a contract.

If after reviewing this guide you have questions or concerns, please reach out.

Call **250.803.0156** or email **info@futureshuswap.com** before you start writing.

SECTION ONE

Before you apply

Two questions come before the paperwork: whether the business is ready to carry a loan, and whether we are the right lender for it. Answer those honestly and the rest of the process is much shorter.

3 Are you ready to borrow?

4 Who you are borrowing from

Are you ready to borrow?

Borrowing is not the first step. It is the step you take once the thinking is done. Two lists, and both are worth being honest with yourself about.

You are probably ready if

- [ ] You can describe the business in two sentences, and what makes it different in one more.
- [ ] You know what you will sell, to whom, and at what price.
- [ ] You have looked at the competition and can name three of them.
- [ ] You know how much you need, to the dollar, and what each dollar buys.
- [ ] You have money or assets of your own to put in.
- [ ] You have done a cash flow month by month, and the loan payment fits.
- [ ] You have looked at a bank or credit union first.

And go in knowing

None of this is a reason not to start a business. It is the reason to start one with your eyes open, and with a cash flow that assumes the first year is hard.

- The first year usually generates less money than you expect.
- The hours are long and they include weekends.
- You trade time with friends and family for time on the business.
- There is real risk — of time, of money, of the value of what you put in.
- It takes longer to open the doors than the plan says it will.
- No benefits, no paid leave, no one else to motivate you.
- Every responsibility that used to belong to someone else now belongs to you.

We are not a bank, and we do not lend like one

Community Futures Shuswap is a not-for-profit development corporation. We are regionally run and guided by a volunteer board of people who live here. The money we lend comes back to the region when it is repaid, and goes out again to support future businesses.

This changes what we look at. A bank starts with the security behind the loan. We start with the business — whether it works, whether you can run it, and what it does for the Shuswap. Security still matters, but it is not the first question we ask.

We live here	Our board and staff are from the Shuswap. We know the seasons, the highway traffic, and which streets go quiet in November.
We stay involved	The relationship does not end at disbursement. Advice, referrals and a second opinion on a decision are part of what you get.
We back local jobs	Employment for people who live here is **one of the things we exist to create**. It is a criterion we measure your application against, not a bonus.

What we lend for

Equipment and machinery. Inventory you will resell. Leasehold improvements. Operating capital — the rent, the deposits and the overhead that carry you to the point where the business pays for itself. Whether you are starting up, expanding, or buying an existing business, list the specific items and what each one costs.

Regional small business loan	**$150,000** For expansion, business purchase or start-up, subject to available funds.
Interest rate	**Prime plus** Prime plus 2% minimum, set according to the risk associated with your loan.
Repayment	**Flexible** Terms are set to fit the business — we offer flexible schedules. No prepayment penalty.
Syndicated loan	**Up to $1 million** Additional funding may be available for larger projects. Some restrictions apply.

Subject to the funds available. Ask us to confirm current terms.

SECTION TWO

The application process

Ten attachments, three pages of form, seven criteria, five stages. This section is what the Loan Committee sees, in the order it sees it.

6	What you'll need to submit
7	The form itself
8	How we decide
9	What happens after you apply
10	Money you put in, security you offer
11	What you're agreeing to

What you'll need to submit

Ten items make a complete application. An incomplete file does not go to the Loan Committee — it waits until the last piece arrives.

1	**A completed and signed application form** Complete every field. Write "n/a" if applicable. Do not leave anything blank, and sign it.	EVERYONE
2	**Your business plan** The written case for your business: what it does, who buys, and the numbers.	EVERYONE
3	**A cash flow projection** Month by month for the first year, with your assumptions beside the numbers.	EVERYONE
4	**Picture identification** A driver's licence, passport, PR card or BC government photo ID for each applicant.	EVERYONE
5	**A personal resume(s)** For each applicant. We are reading for the experience behind the plan.	EVERYONE
6	**Financial statements and personal tax returns** Three years of financial statements if the business trades, plus three years of personal returns including this year.	EVERYONE
7	**A complete copy of the minute book** Incorporated companies only. Online incorporations are not accepted.	IF INCORPORATED
8	**Proof of registration and insurance** For any vehicle or recreational item you are listing as security.	IF APPLICABLE
9	**Business registration and your Business Number** Your registration documents and Business Identification Number.	EXISTING BUSINESS
10	**The $150 application fee** Non-refundable, due when you submit.	EVERYONE

The two things that hold files up most often

Online incorporations without a complete minute book are not accepted. **Tax returns** must cover three years including the current year — if this year is not filed, start there.

The form itself

The ten items are what you attach. The application form has three more pages to fill in, and they ask for things you may have to go and find. Read this before you sit down with it.

About you	Legal name and any former or maiden names. Home and business telephone, email. Your present address and how long you have been there — plus your previous address if that is under three years. Birthdate, Social Insurance Number, number of dependants, marital status.
About your spouse	If you are married or common-law: full name, birthdate, occupation, Social Insurance Number, annual salary, employer and length of employment. The form asks for this whether or not your spouse is part of the business.
Three references	Name, relationship and telephone for each. People who can speak to your credit, character or employment. Ask them first — a reference who is surprised by the call is worth less than one who is expecting it.
Four declarations	Whether you have ever had an asset repossessed, declared bankruptcy, are party to a claim or lawsuit, or owe property or personal taxes for this year or any prior year. A yes to any of these needs details, not just a tick. None of them ends an application on its own.
Personal equity statement	Everything you own and everything you owe, for you and your spouse together. Assets: cash, RRSPs, stocks, bonds and mutual funds, real estate, vehicles. Liabilities: loans, first and second mortgages, taxes payable, and every credit card listed separately. The difference is your net worth.
Statement of monthly income and expenditures	A household budget. In: your net earnings, your spouse's, rental income, child tax credits, child support, pensions. Out: mortgage or rent, loan payments, credit cards, insurance, support payments, food, clothing, transportation, utilities, entertainment.

Bring the paper that backs it up

Valuations or assessments for any real estate or vehicle you list. Statements for any RRSPs, stocks or bonds you declare. Written details for any declaration you answered yes to.

How we decide

Seven criteria are applied to every file. They are not the only things weighed, but nothing is approved without them.

Jobs for local people

The loan creates or maintains employment for predominantly local residents.

A business in the Shuswap

The business operates here. This is a regional fund and it stays in the region.

Contribute your own money

A reasonable personal financial investment. Ideally about 25% of the project in cash.

Ability to repay

Your cash flow demonstrates the ability to make the payments.

A business that will last

The market is there, the pricing works, and the plan accounts for slow months and unexpected challenges.

Competent management

You can run this, or you have named the people who fill the gaps.

Adequate security

Assets pledged against the loan, with valuations to support them.

What happens after you apply

Five stages, from the day you hand in your package to the day the funds are available. The clock on stage four starts when your file is complete.

STAGE ONE	**You submit** — Your complete package and the $150 fee.
STAGE TWO	**Staff review** — We read the file and check that nothing is missing.
STAGE THREE	**We talk** — A phone call or an office appointment about any points arising.
STAGE FOUR	**Loan Committee** — Your package goes to committee, usually within three weeks of submission.
STAGE FIVE	**Offer and funding** — If approved: an Offer of Financing to sign, then legal and security work, then the funds are disbursed.

What it costs

There is a **$150 non-refundable application fee**, due when you submit the application. It is not returned if the application is unsuccessful.

If your loan is approved, you can be responsible for the legal costs of registering the security. Those fees are deducted from the money that is disbursed, so you do not have to fund them out of pocket at closing.

If you change your mind after approval

If you withdraw after legal documents have been registered and costs have been incurred, you are responsible for those costs. Tell us early if you are having second thoughts — before registration there is nothing to reimburse.

Money you put in, security you offer

Two different things, asked for on two different parts of the application form, and regularly confused. Getting them straight before you fill it in saves a conversation.

Owner investment

What **you** put into the business: cash from savings, or equipment and vehicles you already own and bring in.

For anything leased or financed, what counts is the equity — present market value less the amount still owing on it.

We look for around **25%** of the total project cost.

Loan security

Vehicles or property **pledged as collateral** to secure the amount you are borrowing.

List the registered owner, the serial number or legal description, and an estimated market value for each item.

Bring valuations or assessments. An estimate with nothing behind it does not carry weight.

Before you come to us, check these four

The application asks whether you have done each of these. They are on the form for a reason — an applicant who has done them arrives with a sharper file.

- ☐ Looked at **all** possible sources of financing, including banks, credit unions and the Business Development Bank of Canada.
- ☐ Compared the rates, terms and conditions the different institutions offered.
- ☐ Asked family and friends whether they would invest or lend.
- ☐ Researched and completed a **detailed cash flow statement**, month by month.

What you're agreeing to when you sign

The disclosure and release statement is the last page of the application. Read it before you sign it. Here is what each paragraph actually commits you to.

Your statements are true	Everything in the application is given for the express purpose of obtaining financing, and is true and correct to the best of your knowledge. If we need more information to consider the file properly, you agree to supply it.
We can check	You consent to us, or our agent, obtaining credit reports, municipal tax searches and other personal information as needed to administer the application.
Legal costs are yours	You agree to reimburse us for legal costs incurred registering the documents for loan security, including if you withdraw after registration has happened.
Relationships get declared	You tell us whether you are related to any director, committee member or employee of the organization. Being related does not disqualify you. Not declaring it is a problem.
Litigation gets declared	You tell us whether you, or a closely related person or company, are involved in any legal action or litigation, personally or through the business.
Keep your contact details current	Notify us in writing of any change of address, phone, cell or fax.
Alternate financing considered	You confirm that you have looked at other sources of financing before applying here.

You would like to:

- Receive **business and training information** from us and our community partners by email and social media.

SECTION THREE

Writing your business plan

The plan is the document that carries your application, and the one that is most use to you afterwards. Answer what applies to your business and leave out what does not.

13 Why write a business plan at all

14 Getting started

15 The business, and where it sits

16 Running it

17 Your market

18 The numbers, and what backs them up

19 Buying an existing business

Why write a business plan at all

Every venture benefits from one, whether or not anyone is lending you money. A business plan does three jobs at once.

It makes you think	Writing it helps you consider your options and anticipate the difficulties before they arrive, rather than after.
It convinces a lender	It shows a lender or an investor that you are in control of the project and that their money is safe with you.
It runs the business	Afterwards it becomes an operating guide — it helps you measure how your business is performing.

How to use the outline that follows

The pages following are a standard business plan outline. Answer the questions that apply to your business and skip the ones that do not — a plan for a two-person service business does not need what a manufacturer needs. The finished plan should fit your circumstances and sound like you, not like a template.

Write your own plan. You may want help from a mentor, a colleague or a consultant on particular sections, and our office will talk any of it through with you. But you are the expert on your own business, and it reads that way when you have written it yourself.

We caution entrepreneurs about using AI tools to develop your business plan.

If your business is seasonal

Plenty of Shuswap businesses make most of their money between May and September. That is not a problem — it just means your plan looks different from a year-round one, and we read a good many of them.

Let the season show in both the narrative and the numbers. The projections should rise and fall the way your year actually does, with a short footnote saying why. What we look for is that the quiet months have been planned for, not that they do not exist.

Getting started

Cover and title page

The business name, address and phone number on the cover. On the title page, repeat those and add the names and addresses of the principal owners, the date of issue, and a copy number so you can keep track of who has which version.

Table of contents

One page. Major headings with page references — add it last, once the pages have stopped moving.

Executive summary (write this last)

One page, no more. Write it last, put it first. It sets the stage for everyone who reads the plan, and it keeps you on track while you work.

- What the plan is for: an operating guide, a financial proposal, or both.
- How the business is structured: proprietorship, partnership or corporation.
- Who the principals are and how ownership is divided.
- Who is asking for money, how much, and what it is for.
- How the loan will be repaid, and what security is offered.
- Why the business makes sense — the effect on the local economy, jobs created, and what it builds in the community.

The business, and where it sits

Description of the business

What you actually do, in language someone outside your industry can follow.

- The type of business: retail, service, manufacturing, or a combination.
- The nature of your product or service, and what makes it different from the others.
- The market you intend to serve, the total size of it, and the share you expect. Back the projection with research, and put the research in your supporting documents.
- How you will serve that market better than your competition.
- Whether this is a start-up, an expansion, or the purchase of an existing business.
- Any contract work and its terms. Reference firm contracts and attach them.
- Letters of intent from customers and from suppliers. Discuss them here, attach them at the back.

Business location

Where the business sits and why that is the right place for it.

- The address, and the reason you chose it.
- Whether you lease or own, and the terms and length of any lease.
- Renovations needed and what they cost. Include the quotes.
- The character of the neighbourhood: stable, changing, improving or declining.
- What other businesses are nearby.
- How much you can grow before you outgrow the space.

Running it

Licences and permits

The approvals you need before you open the doors, how long they take to acquire, and what they cost.

- Whether your business name is registered with the Registrar of Companies.
- Which body administers the zoning that applies to you, and how that zoning affects your operation.
- Every other licence and permit you need, with costs in your supporting documents.

Management

The people running the business.

- Your business and management experience.
- Your education, formal and informal, that contributes to running a business.
- Direct operational or managerial experience in this type of business.
- Your organizational structure and who does what. Add a chart if it helps.
- Proposed salaries and wages.
- The other resources you can call on: an accountant, a lawyer, our office, a mentor.

Personnel

A paragraph or two, if you will have staff.

- What your personnel needs are.
- The skills employees must have.
- Whether part-time help can absorb changes in volume.
- Training you will have to provide, and what it costs.

Insurance

Describe the risks the business carries and the coverage you will buy against them. Include two or three quotes in your supporting documents.

Your market

Market

Who needs what you sell, and how you plan to reach them.

- The present size of the market and its growth potential.
- The share you will hold now, and later.
- Who your customers are: age, occupation, income, lifestyle, where they live.
- How you will attract them and keep them — through quality, price, public relations or personal selling.
- The features or service that justify your price.
- How you will handle credit sales, and what that costs you.

Competition

Be specific and be honest. A plan that claims no competition reads as a plan that has not looked.

- Who you are competing with.
- Your top three or four competitors, and their strengths and weaknesses against yours.
- The opportunities that analysis opens up.
- The threats that exist, and how you will be ready for them.
- Your unique selling proposition, and how you will use it to hold market share.

The numbers, and what backs them up

Financial data

The numbers that carry the plan. Each one is set out below, and the workbook works through them in detail.

- A source and application of funds statement.
- A capital assets list.
- A break-even analysis.
- A projected income statement: by month for year one, by quarter for year two, with notes on your assumptions.
- Cash flow projections on the same basis, with the same notes.
- A projected balance sheet with notes.
- For an existing business: income statements, balance sheets and tax returns for the past three years.

Supporting documents

Everything that backs up a claim you made in the body of the plan.

- Personal resumes for all principals.
- Personal financial statements for all principals.
- Letters of reference.
- Letters of intent from suppliers or customers.
- Copies of leases, contracts, agreements, deeds and other legal documents.
- Any market research that answers a question the Loan Committee is likely to ask.

Buying or buying into an existing business

Skip this page if you are starting from scratch. If you are not, these questions get asked, and a plan that answers them before we ask reads as a prepared one.

- The history of the business.
- Why the owner wants to sell now.
- If the business is going downhill, why — and how you will turn it around.
- How your management will make it more profitable.
- The changes you plan to make.
- The purchase price formula, broken down: building, improvements, equipment, inventory and goodwill.

The question behind all of them

Why is the person who knows this business best choosing to leave it? There are valid answers — retirement, health, a move, a different opportunity. There are also answers that should give you pause. Find out which one you are dealing with, and say so in the plan. A buyer who has diagnosed a declining business and has a specific plan to turn it around is a stronger applicant than one who has not noticed the decline.

Get the price broken down

A single purchase price tells a lender nothing. Show the formula: what portion is the building, what portion is improvements, equipment and inventory, and what portion is goodwill. Goodwill is the part we will ask you to justify, because it is the part that cannot be sold if the business does not work.

We can help you value it

If you need help valuing or assessing an existing business that is for sale, reach out to Community Futures. It is the kind of question our office is here for, and it is better asked before you agree a price than after.

SECTION FOUR

Your numbers

Pay particular attention to this section. A complete financial plan is what turns a business plan into a document you can run the business from — and it is the part a lender reads hardest.

21	Sources and uses
22	Balance sheet
23	Profit and loss — January to June
24	Profit and loss — July to December
25	Cash flow — January to June
26	Cash flow — July to December
27	Break-even

Sources and uses

One table, two sides, and they have to balance. It answers the first question any lender asks: what does this project cost, and where is every dollar of it coming from?

An illustration — your figures will differ

SOURCES	AMOUNT	%	USES	AMOUNT	%
Your own equity	$25,000	25%	Equipment and machinery	$65,000	65%
Loan — this application	$70,000	70%	Leasehold improvements	$20,000	20%
Other — grant, family, supplier	$5,000	5%	Working capital	$15,000	15%
Total sources	$100,000	100%	Total uses	$100,000	100%

What has to hold is that the two totals match and each column of percentages adds to 100.

Three things to get right

Know your own number	Be clear what funds you need and why. Ask yourself how long these dollars have to last before the business operates with no further funding.
Leave a margin	Allow for costs that come in higher than quoted. A contingency line is not padding, it is the difference between a shortfall and a manageable surprise.
Ask before you count on it	Tell us what each dollar buys. Some costs need a conversation before you build them into the plan — ask us early rather than after the quote is signed.

Balance sheet

What the business owns and what it owes, at one point in time. If your business already trades we need this. If you are starting up it is still worth doing, to show the assets and the cash you are opening with.

BUSINESS NAME:	YEAR 1	YEAR 2	YEAR 3
FIXED ASSETS			
Land and buildings			
Vehicles			
Computers			
Furniture			
Equipment and machinery			
Less accumulated depreciation			
Value of fixed assets			
CURRENT ASSETS			
Bank accounts			
Investments			
Cash on hand			
Accounts receivable			
Inventory			
Prepayments			
Total current assets			
Total assets			
LIABILITIES			
Credit cards			
Vehicle loan			
Equipment loan			
Mortgage			
Taxes payable			
Accruals			
Total liabilities			
Net assets — total assets less total liabilities			
EQUITY			
Opening balance			
Shareholder funds			
Retained earnings			
Drawings			
Total equity			

Net assets and total equity should agree. If they do not, something is missing on one side.

Profit and loss projection — January to June

Twelve months, month by month. Write down the assumption behind every number you cannot prove, and footnote it. A projection without assumptions is a guess with a decimal point.

BUSINESS NAME:	JAN	FEB	MAR	APR	MAY	JUN
REVENUE (SALES)						
Category 1						
Category 2						
Category 3						
Category 4						
Total revenue						
COST OF SALES						
Category 1						
Category 2						
Category 3						
Category 4						
Total cost of sales						
Gross profit						
EXPENSES						
Salaries and payroll						
Outside services						
Supplies						
Repairs and maintenance						
Advertising						
Car, delivery and travel						
Accounting and legal						
Rent and related costs						
Telephone, internet and utilities						
Insurance						
Taxes and interest						
Depreciation						
Other — specify						
Total expenses						
RESULT						
Net profit before taxes						
Income taxes						
Net operating income						

Profit and loss projection — July to December

BUSINESS NAME:	JUL	AUG	SEP	OCT	NOV	DEC
REVENUE (SALES)						
Category 1						
Category 2						
Category 3						
Category 4						
Total revenue						
COST OF SALES						
Category 1						
Category 2						
Category 3						
Category 4						
Total cost of sales						
Gross profit						
EXPENSES						
Salaries and payroll						
Outside services						
Supplies						
Repairs and maintenance						
Advertising						
Car, delivery and travel						
Accounting and legal						
Rent and related costs						
Telephone, internet and utilities						
Insurance						
Taxes and interest						
Depreciation						
Other — specify						
Total expenses						
RESULT						
Net profit before taxes						
Income taxes						
Net operating income						

Carry the second half onto the same assumptions as the first. If a number changes between June and July, say why.

Cash flow projection — January to June

Profit and cash are not the same thing. A business can be profitable on paper and still run out of money in March. This is the document we read most closely, because it is the one that shows the loan payment being made.

BUSINESS NAME:	JAN	FEB	MAR	APR	MAY	JUN
Opening cash balance						
CASH IN						
Sales — cash						
Sales — receivables collected						
Loan proceeds						
Owner injection						
Other						
Total cash in						
CASH OUT						
Purchases and materials						
Wages and payroll						
Rent and related costs						
Utilities and telephone						
Insurance						
Advertising						
Accounting and legal						
Vehicle and delivery						
Loan payment						
Owner's draw						
Taxes remitted						
Other						
Total cash out						
Net movement						
Closing cash balance						

Each month's closing balance is the next month's opening balance. If any closing balance is negative, the plan does not work yet — find the month and fix it before you submit.

Cash flow projection — July to December

BUSINESS NAME:	JUL	AUG	SEP	OCT	NOV	DEC
Opening cash balance						
CASH IN						
Sales — cash						
Sales — receivables collected						
Loan proceeds						
Owner injection						
Other						
Total cash in						
CASH OUT						
Purchases and materials						
Wages and payroll						
Rent and related costs						
Utilities and telephone						
Insurance						
Advertising						
Accounting and legal						
Vehicle and delivery						
Loan payment						
Owner's draw						
Taxes remitted						
Other						
Total cash out						
Net movement						
Closing cash balance						

Carry December's closing balance into year two. Year two can be quarterly rather than monthly.

Break-even

The point where total revenue equals total costs. No profit, no loss. Below it you are losing money; above it the business starts to pay.

Knowing the number tells you the minimum you have to sell each month to cover your expenses **and** your loan payment, and it tells you quickly whether your prices are high enough.

Fixed costs

Costs that stay the same whatever you sell.

Rent. Insurance. Your loan payment. Salaried wages. The accountant.

Variable costs

Costs that move with your sales.

Direct materials. Direct labour. Shipping. Card processing fees.

The formula, and what to do with the answer

Break-even = fixed costs ÷ (sales price per unit – variable cost per unit)

If the answer is higher than what you can realistically sell, you have three levers: raise the price, cut a fixed cost, or reduce what each sale costs you. Work out which one your market will actually allow before you finish the plan.

SECTION FIVE

Questions and answers

The questions that come up most often, the words that come up most often, and the other places worth looking before you borrow from us.

29	Questions we get asked
30	Questions about the numbers
31	Glossary
32	Other places to look for financing

Questions we get asked

Do I have to bank with you?

No. We are not a bank and we do not hold your deposits. We lend, and we stay involved afterwards as an advisor if you want that.

Why do you ask for a business plan when a bank did not?

Because we lend on the strength of the business rather than the strength of the security behind it. The plan is how we see the business.

I was turned down by a bank. Is that a problem?

No. A good many of our clients come to us after a bank said no. We do ask you to tell us where you applied and why it was declined — the answer is usually useful.

How long does the whole thing take?

From a complete submission, your file usually reaches the Loan Committee within three weeks. Legal and security work after approval adds time that varies with what is being registered.

What does “complete” mean?

Every one of the ten items on the submission checklist at the back. An incomplete file does not go to committee, it waits.

Can I apply if my business is not registered yet?

Ask us. Item 9 of the application asks for registration documents and a Business Number, so talk to us early about timing. You can reserve a name through BC Registries before you commit to it.

How much of my own money do I need?

The application prefers about 25% of the total project cost in cash. Equity in equipment you own outright and bring into the business may also count — ask us. An asset you pledge as security does not. More of your own money in means less to borrow, and a stronger file.

What can the loan be used for?

Equipment and machinery, inventory for resale, leasehold improvements, and operating capital such as rent and deposits. Tell us the specific items and what each one costs.

Do you charge a penalty if I pay the loan out early?

No. There is no prepayment penalty.

What happens if I change my mind after approval?

If you withdraw after legal documents have been registered, you are responsible for the costs already incurred.

Questions about the numbers

What is the difference between a bookkeeper and an accountant?

A bookkeeper records the transactions — receivables, payables, payroll — usually monthly. An accountant designs the system, interprets the results, and presents the statements in a form you can make decisions from.

What are start-up costs?

Everything you have to spend before you open: equipment, furniture, supplies and inventory, legal and accounting fees, advertising, deposits, labour, and improvements to the building.

What is an income statement?

A summary of revenue and expenses over a period of time. The difference between the two is your profit or loss.

What is a balance sheet?

A list of what the business owns and what it owes at one point in time. It is a snapshot, not a period.

What is break-even?

The point where total revenue equals total costs — no profit, no loss. Knowing it tells you the minimum you have to sell each month to cover your expenses and your loan payment, and still pay yourself.

What is the difference between a loan and equity?

A loan is repaid within a set time. Equity is what you contribute to the business yourself — cash, or equipment you own outright and bring in. Your own time and labour do not count toward it.

Do I need to register for GST?

If your gross revenues from taxable goods and services are over $30,000 a year, yes. Registering gets you a Business Number, which you also use for your other Canada Revenue Agency accounts.

Do I need a business bank account?

Most banks will ask for proof that you have registered with the Corporate Registry before they open a business account for you. Keep business and personal money separate from day one — it makes every statement you have to produce far easier.

Glossary

Accounts payable
Short-term amounts your business owes to creditors, suppliers and other vendors, including supplies and materials bought on credit.

Accounts receivable
Money owed to your business by customers for goods or services already delivered.

Amortization
The period over which a loan is repaid. A longer one means a smaller payment and more interest in total.

Assets
What the business owns. Current assets, such as cash and inventory, can be turned into cash quickly. Long-term assets, such as real estate or machinery, cannot.

Break-even
The level of sales at which total revenue equals total costs. Below it you lose money, above it you make money.

Collateral
Property or vehicles pledged against a loan. If the loan is not repaid, the lender can recover against the collateral.

Equity (in an asset)
The part of an asset you actually own: its present market value less what is still owing on it. See also owner investment.

Fixed costs
Costs that stay the same whatever your sales do — rent, insurance, your loan payment.

Liabilities
What the business owes: loans, mortgages, credit cards, taxes payable, accruals.

Net worth
Total assets less total liabilities — what would be left if everything were sold and every debt paid.

Owner investment
The cash, and the equity in assets you own outright, that you put into the business yourself. Also called owner equity. It is not the same as security you pledge — an asset pledged as collateral does not count toward it.

Prime rate
The benchmark lending rate set by the chartered banks. Our rates are quoted as prime plus a premium for the risk in the file.

Security
The assets a lender registers an interest in, so the loan can be recovered if it is not repaid.

Sources and uses
A table showing where every dollar of the project comes from and what every dollar is spent on. The two sides must balance.

Variable costs
Costs that move with your sales — materials, direct labour, shipping.

Working capital
The cash a business needs to keep operating day to day: rent, wages, deposits, stock on the shelf.

Loan Committee
The volunteer committee that reads your file and decides it. Staff review a file first, then present it.

Offer of Financing
The written offer you sign if your application is approved. It sets the amount, the rate, the term and the conditions.

Pre-disbursement conditions
Things that must be done before money is released — security registered, insurance in place, documents on file.

Minute book
The record of an incorporated company: articles, registers of directors and shareholders, and resolutions. We need a complete copy.

Business Number
The nine-digit Canada Revenue Agency number for your business, also called the BIN on the application form.

Leasehold improvements
What you spend fitting out premises you do not own — walls, wiring, counters, signage.

Other places to look for financing

The application asks whether you looked elsewhere, and means it. Borrowing from the cheapest suitable source is good for your business, whether or not that source is us.

Your bank or credit union	Start here. A bank may well be the cheaper option, and we will ask whether you tried. If you were declined, we want to know why — it is a normal answer, not a disqualifying one.
Business Development Bank of Canada	A federal Crown corporation lending to Canadian businesses, on terms a chartered bank may not offer. Often works alongside a lender like us rather than instead of one.
Family and friends	Worth asking. Put whatever you agree in writing, with the terms and the repayment spelled out, the same way you would with any other lender.
Your own savings and assets	Cash, or the equity in equipment you own outright and bring in. An asset you pledge as security is a different thing and does not count.
Grants and contribution programs	Federal, provincial and sector programs come and go. Ask us what is open when you apply.
Suppliers	Trade credit is financing. Negotiated terms on your first orders reduce how much working capital you need to borrow.

Programs change. Ask our office what is open at the time you apply rather than relying on a list dated September 2026.

Your submission checklist

Work down the list. When every box is ticked your file is complete, and it goes to the next Loan Committee.

- ☐ **A completed and signed application form**
- ☐ **Your business plan**
- ☐ **A cash flow projection**
- ☐ **Picture identification**
- ☐ **A personal resume(s)**
- ☐ **Financial statements and personal tax returns**
- ☐ **A complete copy of the minute book** — if incorporated
- ☐ **Proof of registration and insurance** — if applicable
- ☐ **Business registration and your Business Number** — existing business
- ☐ **The $150 application fee**

And check your plan answers these

- ☐ How many **jobs** the loan creates or maintains — full time, part time, casual and seasonal, counted separately.
- ☐ That the business is **located in the Shuswap**.
- ☐ What **you** are putting in, and where it comes from.
- ☐ A month-by-month cash flow showing the **loan payment being made**.
- ☐ Why the business will still be here in five years.
- ☐ Who is **running** it, and what they have done before.
- ☐ What is offered as **security**, with valuations attached.

This workbook is a summary written to be readable. Where it differs from the loan application form, an Offer of Financing or a signed loan agreement, those documents govern.

How to submit

Get the form	From our office, or from www.futureshuswap.com. Ask us for a copy if you would rather work on paper.
Bring it in	101–160 Harbourfront Drive, Salmon Arm, BC V1E 4P9. An appointment is worth making — we would rather catch a gap in the file across a desk than by letter.
Or post it	P.O. Box 1930, Salmon Arm, BC V1E 4P9.
Or email it	info@futureshuswap.com. Check with us first about what has to come to the office on paper.
The fee	$150, with the application. Ask us which payment methods we take before you come in.

Before you hand it over

- Every box on the checklist ticked.
- Every field filled in, with “n/a” where something does not apply.
- Both applicant signatures dated on the disclosure statement.
- Valuations attached for anything listed as security or as owner investment.

If you are not sure about something, ask before you submit

Call 250.803.0156 or 1.877.803.0156 toll free, or email info@futureshuswap.com. A question answered before you submit costs you a phone call. The same question found by staff after you submit costs you a place in the queue.

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Community Futures Shuswap

Every business here started as one idea.

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Growing communities one idea at a time.

Community Futures organizations are independent, locally-run and guided by volunteer boards. They actively support community-based economic development with a range of products and services aimed at creating diverse, sustainable rural communities.

Supported by the Government of Canada through Pacific Economic Development Canada.

Portions of the financial and reference sections are adapted, with thanks, from the Business Plan Workbook of Community Futures Development Corporation of Central Interior First Nations.