



SAMPLE COMPANY

BUSINESS PLAN
Month
20XX

MR. JOHN DOE
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SAMPLE COMPANY

Sample Address, Sample City,
Manitoba, Canada
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1 Executive Summary

Sample Company (hereafter also referred to as the Company) was founded with the purpose to purchase an already existing business operating as Sample Company, a motel located in Sample City, Manitoba. Mr. John Doe is in the process of purchasing the motel, together with two local residents: Mr. Jacob Smith and Mr. James Johanson (hereafter also referred to as Directors). The purchase is being conducted through the newly founded company, Sample Company, and the purchasing price has been set at \$XXX,XXX. Once his work permit is approved, Mr. Doe will invest \$XXX,XXX for XX% shares in the Company and thus become the majority owner and General Manager of Sample Company.

Mr. Doe has been a successful entrepreneur for the past XX years, managing Some Company 1 that manufactures, imports, and exports chemicals, as well as managing companies such as Some Company 2, Some Company 3, and Some Company 4. He started the company as a local business and developed it into one of the fastest growing trademark chemical companies with the highest manufacturing standards. He will transfer his skills and knowledge to the Canadian company.

Sample Company was incorporated on Month XX, 20XX in Manitoba. Once his work permit is approved, Mr. Doe will own XX% of the Company, and the Directors will own XX% each. The motel that the Company is purchasing is located at Sample Address, Sample City, Manitoba. The motel has XX rooms, each with a private bathroom. The motel also has a restaurant, a bar, and a swimming pool.

In addition to room rentals, the Company will provide housekeeping services, meal options, and assist tourists with important tour and travel information in an effort to help them have a pleasant stay. The Company will target national and international tourists visiting Sample City as well as business people staying for work.

By operating an accommodation business in Manitoba, the Company will support the local community by investing funds, keeping the already hired employees, and providing employment to local residents. The Company has already hired one Housekeeper, two Cooks, and one Front-desk Agent. By the end of Year 3, the Company will hire an additional Cook and two Servers. The payroll expenses will rise from \$XXX,XXX in Year 1 to \$XXX,XXX in Year 3.

Under the experienced management of Mr. Doe, who has extensive professional experience, estimated sales will approach \$XXX,XXX in Year 1, increasing to \$X,XXX,XXX in Year 3.

2 Business Profile

Name of the Business

The Company was registered on Month XX, 20XX as Sample Company. The Company will operate under the d/b/a Sample Company.

Legal Structure of the Business

The Company will operate as a corporation where Mr. Doe will own XX% once his work permit is approved, and Mr. Johanson Smith and Mr. James Johanson will own XX% each.

2.1 Mission, Vision, and Goals

Mission Statement: The mission of Sample Company is to provide outstanding lodging facilities and services to its guests. The motel focuses on individual business and leisure travel as well as travel associated with groups meetings. The Company will emphasise high-quality standards in the rooms as well as in food and beverage divisions.

Vision Statement: The vision statement of Sample Company is to deliver a service of excellence that exceeds customers' needs and expectations and to strive to become a market leader in the local accommodation industry that others aspire to follow.

Goals: The Sample Company goals are profitability, optimal cost-to-quality ratio, customer retention, efficiency, and continuous improvement.

2.2 Services

2.2.1 Motel Rooms

The Company will offer motel accommodation services in Sample City. The service will also include housekeeping and dining. The motel has a well-reviewed restaurant, able to accommodate XXX guests.

The motel is a licensed retail beer vendor by the Liquor and Gaming Authority of Manitoba, meaning that within the motel, the Company will sell beer, beer products, and other types of liquor. The bar will be able to accommodate XXX guests, and it will be equipped with pool tables and XX VLTs (video lottery terminals). Private parking (XX lots available and additional XX if required) and free WiFi are available at the motel.

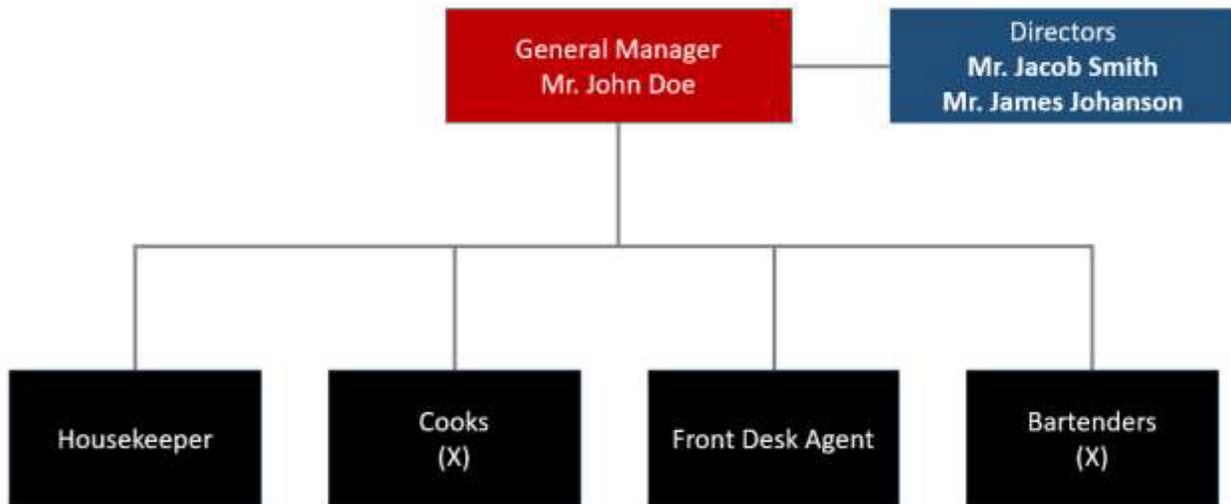
The motel will be managed by professional staff that will ensure visitors receive the highest level of customer service resulting in a memorable experience. The motel's check in will be from 9:00 a.m. to 11:00 p.m. and the check out from 11:00 a.m. to 11:30 a.m.

The restaurant will be open from 9:00 a.m. to 7:00 p.m., and the bar will operate from 9:00 a.m. to 11:00 p.m. on weekdays and to 2:00 a.m. on weekends. The motel will be open 247/.

The average price per night, for two people, will differ depending on the winter and summer seasons. The price per night in winter will be \$XX, and in the summer season \$XXX.

The cleaning fee will be \$XX per room.

2.3 Organizational Chart (Year 3)



2.4 Management Profile

2.4.1 Mr. John Doe's Role in the Business (NOC 0015)

Mr. John Doe has over XX years of extensive experience in international marketing, strategic planning, and new market segment development. Upon his work permit approval, Mr. Doe will serve as the Company's General Manager. He will oversee day-to-day operations and design strategy and set goals for growth.

In 19XX, Mr. Doe earned a bachelor's degree in commerce from Sample University in Sample City, Sample Country. From 19XX to 20XX, Mr. Doe was a Sole Proprietor at Some Company 4. From 20XX to 20XX, he was a Designated Partner at Some Company 3. Since 20XX, Mr. Doe has been a Sole Proprietor at Some Company 2, and, since 20XX, Mr. Doe has served as the Owner and Manager of Some Company 1, a renowned manufacturer, supplier, importer, and exporter of various chemicals, softeners, and agents.

Duties at the Canadian Company

Upon the approval of his work permit, Mr. John Doe will serve as the Company's General Manager. His entrepreneurial and managerial experience will ensure that Mr. Doe has the capacity to keep the Company on a sustainable growth path.

As the General Manager, Mr. Doe will directly monitor the performance of the Company. He will develop and implement a strategic plan to expand financial and overall performance objectives and lead the Company in consistently achieving these objectives. He will make prudent investment decisions to advance the business and increase profits. Additionally, Mr. Doe will develop growth initiatives and establish both short- and long-term sales performance goals that are consistent with the Company's overall strategy. Mr. Doe will review financial and non-financial reports, measure the Company's performance against goals to ensure that progress is made, and take corrective actions when necessary. He will be responsible for planning and organizing the Company's activities. Mr. Doe's duties will include reviewing budgetary information, interpreting financial data, monitoring expenses, analyzing statistics, and writing reports.



2.5 Business Processes

Mr. Doe and his spouse conducted an exploratory visit to Manitoba in order to identify a viable business opportunity. They stayed in Manitoba for over XX days and attended the business immigration seminar organized by the MPNP Business Immigration Unit. In addition, they also attended a seminar organized by the trade center. During his stay in Manitoba, Mr. Doe attended the information seminars and met with different people that helped him make an informed decision. Mr. Doe's friends, who have been residents of Manitoba for a long time, showed him around Some City and rural Manitoba and introduced him to realtors, business owners, potential sellers, and business consultants.

While he was in Manitoba, Mr. Doe met with various business owners including Mr. William Evans who owns Sample Hotel in Manitoba. He owns over XX hotels in different parts of Canada. He shared his experience of business in regional parts of Canada, and Mr. Doe also contacted him before finalizing the purchase of the business. He reviewed financial statements, location, and provided highly positive feedback.

Therefore, upon successfully completing his exploratory visit, Mr. Doe decided to buy an existing business in Sample City. His friends and the Directors of the Company have contacted the owner, made an offer to purchase, and the offer has been accepted. The Directors have carried out the necessary due diligence before proceeding with the offer to purchase. Mr. Doe has also reviewed the necessary financial documents to make an economically viable business purchase decision.

Mr. Johanson Smith and Mr. James Johanson's offer to purchase Sample Company, the company that previously owned the motel, was accepted on Month XX, 20XX for \$XXX,XXX. The purchase was conducted through Sample Company (a company owned by Mr. Johanson Smith and Mr. James Johanson), and Mr. Doe will invest \$XXX,XXX for XX% shares in Sample Company when he is in Canada with the necessary work authorization.

The purchase price includes land, building, fixtures, improvement on the land, inventory, furniture, signs, equipment, licenses, permits, and certificates. The previous owner will provide Mr. Doe with the necessary training and share knowledge until Mr. Doe is able to run the business independently. As Mr. Doe is entering a new industry in a new geographic location, the previous owner will provide him with all the required market knowledge, information, and contacts.

The motel was established in 19XX and has XX rooms, a restaurant, bar, a swimming pool, and a beer vendor license. The motel has XX parking spaces and another XX that are available if required. In the motel, the patrons will also be able to use VLTs governed by Manitoba Lotteries. In addition to Manitoba Liquor and Lotteries Corporation that supplies beer and VLTs, the Company's supplier list will include Supplier, and Supplier 2, Supplier 3 Other purchases will be made in local grocery stores on daily basis.

The motel has an in-house laundry room, and the housekeeper will be responsible for washing the linen and towels. The Housekeeper will also prepare the room for new guests and clean the rooms of the stayovers, guests who spent the last night at the motel and who will stay that night as well.

Mr. Doe has reviewed the financials from the last three years and confirmed that the advertising expenses are minimum given the nature of the current business and that they do not include digital marketing. He will continue to adapt all the current marketing strategies. Sample Company's owners and staff will support local events and engage with the local community, and provide outstanding customer service to ensure repeat customers and get new ones.

The Company will offer services through booking websites such as Airbnb, HomeAway, and Booking.com. Sample Company will purchase proprietary software to monitor the bookings. Through this software, the Company will manage booking schedules with maximum efficiency.

In addition to offering a pleasant traveling experience to guests, the Company will provide essential tour and travel information regarding local attractions such as the Sample City Bison Park, Sample City Lake, Museum & Heritage Village, and the Ski Valley.

Mr. Doe's extensive experience will enable the Company to successfully increase its annual revenues and obtain a significant market share over the next five years. The Company will benefit from using various marketing channels. In order to further develop the business, Sample Company will establish and maintain pages on social media outlets. These efforts will attract more clients and enable the Company to expand.

2.6 Local Economic Impact

The majority of motel guests are tourists visiting Sample City or stopping there on the way to their next destination. Therefore, the Company will support the tourism sector which has a significant impact on the economy.

Tourism development can lead to accelerated economic growth. Tourism activity leads to higher spending, diversification of the local economy, and increased economic growth. The study conducted by Sample Source,¹ pointed out that many social issues such as poverty, unemployment, and lack of skills training can be improved with growth within the tourism sector of region. Tourism has high multiplier effects and acts as an export sector within the local economy due to a fact that it attracts spending from outside the region. In addition, the study identified many benefits of tourism for development of local regions such as economic growth, poverty alleviation, improved trade balance, job creation, and a more diverse local economy.

¹ Source

The Company will provide accommodation services at competitive prices to tourists in Sample City. Also, over the next three years, the Company expects to bring at least \$XXX,XXX (conservative scenario) of tax payments to the Canadian government as listed in the table below:

	Year 1	Year 2	Year 3
Net Income Tax	\$XX,XXX	\$XX,XXX	\$XX,XXX
Payroll Tax	\$XX,XXX	\$XX,XXX	\$XX,XXX
Total Tax	\$XX,XXX	\$XX,XXX	\$XX,XXX
Cumulative Tax	\$XX,XXX	\$XX,XXX	\$XXX,XXX

Taxes play a key role in promoting economic growth by providing the revenue needed to fund governments' economic growth policies and create a framework for expansion of private sector activities such as roads, telephones, and electricity.

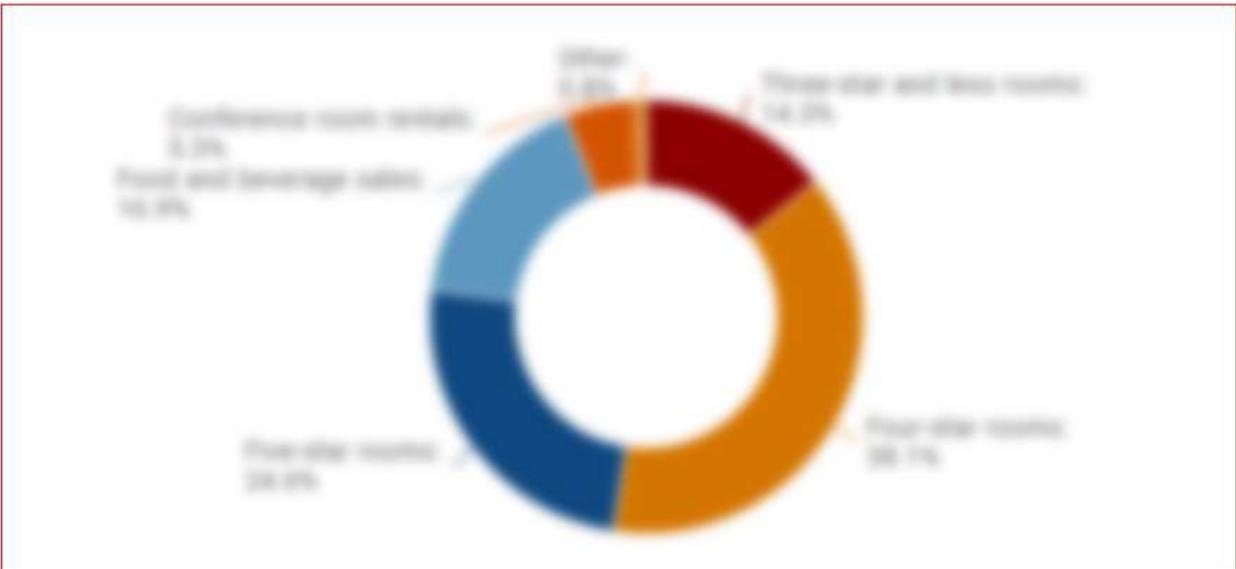
In addition, by the end of Year 3, the Company will add value to the country by creating jobs for Canadian citizens and enabling them to support their families. In addition to Mr. Doe, the Company will retain the employment of four Canadian residents and provide employment to three Canadian citizens or permanent residents (one Cook and two Bartenders).



3 Market Profile

3.1 Hotels and Motels in Canada (NAICS: 721)

According to Sample Source,² one of the world's leading publishers of business intelligence specializing in industry and procurement research, this industry provides short-term lodging in facilities known as hotels, motels, motor hotels, and resort hotels. These establishments may offer food and beverage services, recreational services, conference rooms and convention services, laundry services, parking, and other services.



The Hotels and Motels Industry in Canada has grown steadily over the five years to 20XX with the exception of 20XX due to the global spread of COVID-19. For the majority of the period, the industry has been encouraged by an increase in international tourism and hikes in per capita disposable income. Consistent economic growth over the past five years and relatively stable consumer confidence have boosted the ability of Canadians to take overnight domestic trips. Furthermore, hotels and motels, which rely on international travellers, have benefited from

² Source

growing inbound international visitor numbers. However, the spread of the coronavirus has reduced many potential customers' desires or abilities to travel, which reduces the need for hotels and motels. The Company will overcome this period by accommodating guests from the neighboring cities and communities travelling for work and leisure.

Accommodation Services Industry in Canada Key Facts	
Annual Revenue 20XX	\$XX.X billion
Expected Annual Revenue Growth Rate 20XX – 20XX	X.X%
Annual Profit 20XX	\$XXX.X million
Employment 20XX	XXX,XXX
Active Businesses 20XX	X,XXX

Despite the prominence of large, well-known hotel chains, the industry has a low level of concentration and still has many small- to medium-sized independent operators. This has kept the industry highly competitive over the past five years. Price competition has eased, leading to higher revenue per available room and occupancy rates. However, a steady increase in the supply of new hotel rooms has limited the ability of operators to bid up room prices. Still, the global hotels and motels landscape is changing and becoming more consolidated, giving larger players the ability to control parts of the industry through loyalty programs and attractive pricing structures.

Year	Revenue (\$M)	EBITDA (\$M)	Employees (000)	Enterprise (000)	Employees (000)
2020	12,871	4,278	6,932	6,122	146,472
2021	11,136	3,241	10,145	9,226	174,729
2022	10,444	3,433	10,526	9,226	166,427
2023	10,883	3,448	10,720	9,226	162,242
2024	10,224	3,224	10,902	9,226	159,640
2025	10,273	3,274	11,276	9,227	162,762
2026	10,461	3,142	11,228	9,227	164,711

The Hotels and Motels Industry in Canada is expected to experience revival over the five years to 20XX, as operators are expected to rebound from the downturn of the coronavirus pandemic. Consumers are expected to have more funds available for discretionary purchases due to consistent growth in per capita disposable income, which is estimated to increase at an annualized rate of X.X% over the next five years. Furthermore, steady growth in the Consumer Confidence Index will increase industry growth.

Corporate profit is anticipated to bolster industry growth as it increases at a healthy annualized rate of X.X% over the next five years, enabling businesses to ramp up their expense accounts. Furthermore, inbound international travel is expected to increase noticeably over the five years to 20XX. As a result, operators will likely retain a healthy profit margin. IBISWorld forecasts industry revenue to increase an annualized X.X% to \$XX.X billion over the five years to 20XX.

3.1.1 Governing Laws, Regulations, and Licensing

The Hotels and Motels Industry in Canada is subject to a medium and increasing level of regulation. There are regulations covering a range of areas, such as permits and licenses, occupational health and safety, food safety and standards, labor conditions, liquor licensing, and franchising requirements. Most regulation is enacted and enforced at the provincial level.

Food safety and standards

Health Canada is responsible for establishing standards for the safety and nutritional quality of all foods sold in Canada. The department exercises this mandate under the authority of the Food and Drugs Act and pursues its regulatory mandate under the Food and Drug Regulations. Restaurant and food service inspection is carried out by provincial governments, municipalities, and regional health authorities. Consumers can report concerns about accommodation food to their local health department or to the Canadian Food Inspection Agency.

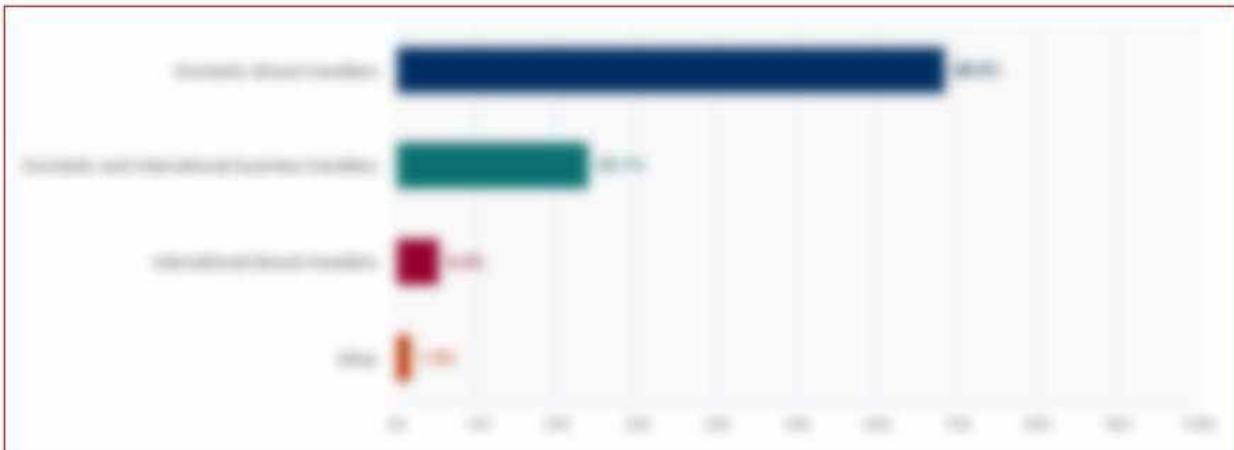
Labor relations

The industry employs a high number of low-skilled workers at hourly rates and, therefore, is subject to minimum wage and employee benefits regulations. Each province formulates and regulates its own minimum wage. As of Month X, 20XX, Manitoba had the nation's lowest minimum wage, at \$XX.XX per hour, while Alberta's minimum wage of \$XX.XX per hour was the highest in Canada, according to the Retail Council of Canada.

Sample City

Operating a business in Sample City requires a business license and location in an approved zone. However, since the Company is purchasing an already operating business, all licenses will be transferred to the new owners.

3.1.2 Major Markets



The Canadian Hotels and Motels Industry's market demand is segmented by travel purpose.

Holiday or leisure travel is the most common reason people stay in hotels and resorts, followed by business, including work travel for transport crews; attendance at conferences, exhibitions and trade fairs; and training and research related to employment.

Domestic leisure travellers – Domestic holiday or leisure travellers account for an estimated XX.X% of industry revenue in 20XX. This segment includes travelling to visit family or friends, to go on vacation and non-routine shopping. Most domestic travel in Canada takes place via automobile, with only a small percentage of domestic travellers flying on commercial aircraft or travelling by bus, train or boat. Motels specifically cater to this purpose and are located conveniently next to major roads and highways. This segment has grown as a percentage of total revenue over the five years to 20XX, and is expected to continue to outpace other segments over the five years to 20XX.

Domestic and international business travelers – Business travellers, both international and domestic, are estimated to account for XX.X% of industry revenue in 20XX.

The business segment experienced a surge in growth over the early half of the five years to 20XX, as corporate profit surged XX.X% in 20XX. This segment is expected to account for a slightly smaller share of total revenue in 20XX than it did in 20XX. Over the five years to 20XX, this segment is expected to increase as corporate profit is estimated to grow.

International leisure travellers – International tourists are expected to account for X.X% of industry revenue in 20XX. This segment has risen as a share of total revenue, as inbound traveller numbers to Canada have increased significantly over the past five years. International leisure travellers are more likely to stay in a motel than domestic tourists and spend more per night per trip. An international trip is usually an indulgence, meaning travellers are more prepared to spend on discretionary items such as hotel rooms and restaurant meals. Also, international travellers do not typically have extensive personal connections at their destination, so they normally need to pay for accommodation rather than staying with friends or family as many domestic travellers do.

3.2 Marketing Strategy

Website and Digital Marketing

Sample Company maintains a website at www.samplecompany.com.

The owners will invest funds in professional design and optimization of the website for better search engine rankings. Search engine optimization of the website will ensure that proper titles, meta descriptions, and keywords, both short- and long-tailed, are present on pages of the website. The website will contain information regarding the property, amenities, rooms, and vacancy information.

The Company will also devote a part of its budget to digital marketing in order to drive traffic to the Company's website. Digital marketing will primarily focus on Google AdWords keyword advertising campaigns and the display network. The Company will also conduct advertising campaigns on social media, such as Facebook, to drive visitors and potential customers to its website. In addition to directly bringing visitors to the website, the digital marketing campaigns will also build brand awareness by displaying the Company's logo and ads on the Google display network.

Proper search engine optimization and successful digital marketing campaigns will be among the key growth-and-development factors of the Company. Online marketing and promotional efforts will help the Company rank higher in search engine result pages, which will lead to an increased number of visitors and, consequently, customers.

Social Media

An ever-expanding social media presence is crucial in the modern business environment. The previous owner has not invested in digital marketing, as stated in Section 2.5. However, the new owners will invest significant funds in creating and maintaining professional pages on Facebook

and Instagram. The focus on social media will help Sample Company build awareness and credibility, and it will allow the Company to communicate directly with its prospective clients and understand their needs.

Travel Sites

The Company will promote its property on travel sites, such as Booking.com and Airbnb.

Booking.com has XX,XXX,XXX listings at XXX,XXX destinations in XXX countries and territories worldwide. Each day more than X,XXX,XXX room nights are reserved on the website. The site is available in XX languages.

Airbnb is a trusted community marketplace for people to list, discover, and book unique accommodations around the world. Airbnb connects people to unique travel experiences in more than XX,XXX cities and XXX countries. And with world-class customer service and a growing community of users, Airbnb is the easiest way for people to monetize their extra space and showcase it to an audience of millions.

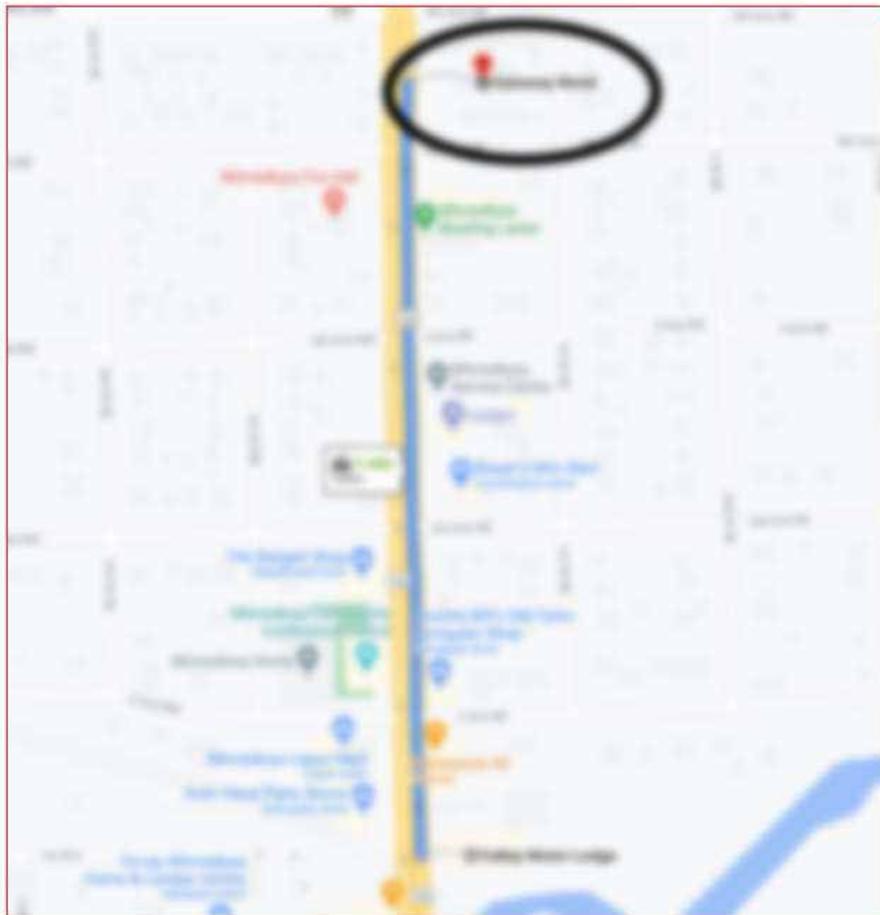
Other

The Company will distribute coupons and offer discounts to both existing and potential visitors and guests. This will simultaneously contribute to expansion of the visitor base and retention of regular guests. The Company will also use discounts to promote the motel in the community.

The Company will be featured in local newspapers and other media. A presence in local media will increase visibility and build brand awareness, leading to a broader customer base and higher sales.

3.3 Competition

According to Mr. Doe's initial market research and information he gathered during his exploratory visits, there is only one motel in Sample City, in addition to Sample Company. That is Competitor 1,³ which is located at Sample Address, Sample City, Manitoba, XXX meters north from the Sample Company.



The Competitor 1 offers the following amenities and facilities:

- In-room fridges and microwaves

³ <http://www.competitor1.ca/>

- Wireless internet
- Remote controlled cable TV
- Air conditioned rooms
- Direct-dial telephones
- In-room coffee
- 'Park at your door' units
- Pets allowed (small charge)
- Winter plug-ins
- Gazebo with firepit and BBQ area
- Complimentary Continental Breakfast

The prices are:

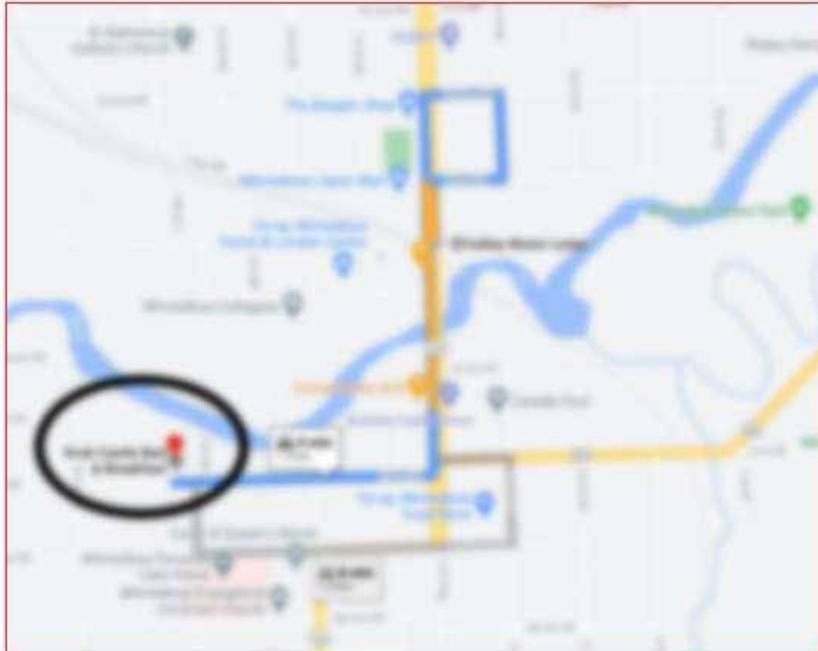
1. Single room (with one Queen bed) – \$XX plus taxes
2. Double room (with two Queen beds) – \$XX plus taxes
3. Family suite (one King, one Queen, and double bed) – \$XXX plus taxes
4. Kitchenette suite (two Queen beds in a separate bedroom and kitchen/lounge) – \$XXX + taxes
5. Cottage (self contained unit with three separate bedrooms, a lounge with double hid-a-bed, kitchen and full bath) - \$XXX plus taxes



Additional competitors may include the bed and breakfast operators including:

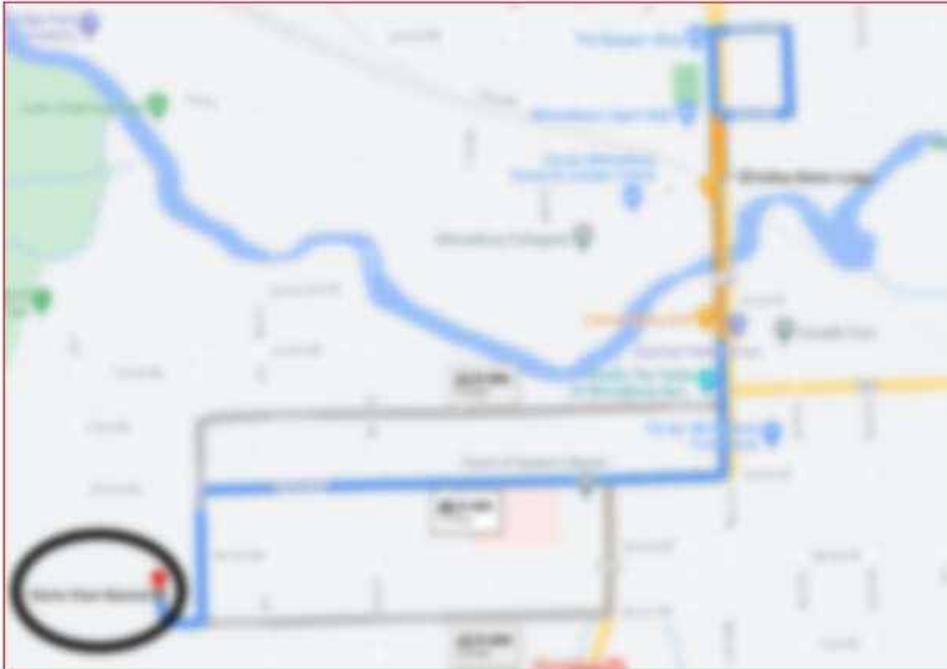
1. Competitor 2, a member of the Bed & Breakfast Association of Manitoba. The B&B is located at Some Address, X.X kilometers west of Sample Company. Kruk Castle has a lounge bar with pool tables and a library, and offers breakfast, in addition to the

accommodation. It offers a King Chamber and Grand Chamber (\$XXX+taxes), Viscount Chamber (\$XXX+taxes), Raven's Nest and White Tower (twin beds, \$XXX+taxes).



2. Competitor 3, a B&B in Sample City, located at Some Address, X.X kilometers west from the Sample Company. The B&B offers two large guest rooms each with queen pillow top bed and 4 piece en-suite bathrooms, central air conditioning and private, powered parking. The two rooms share a refrigerator, microwave, and Keurig beverage machine

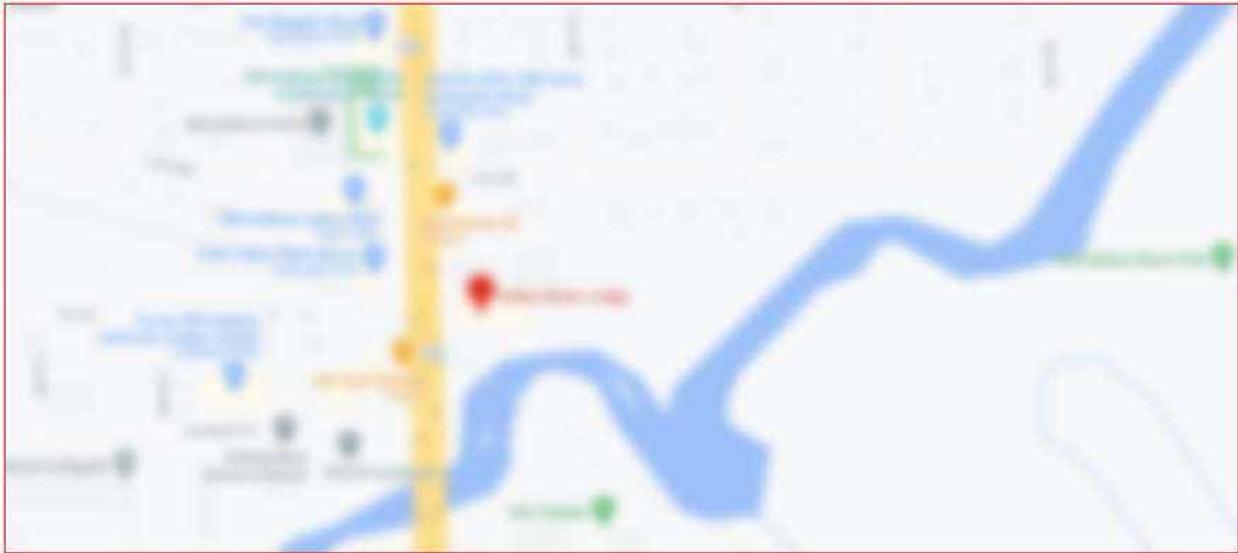
with selection of coffees, teas, and hot chocolate. The South Wing can accommodate a single cot. Pets are not accepted. Competitor 3 charges a one night stay at \$XXX total for the double room. South Wing can host a further guest for an additional \$XX per night with the addition of a cot. All pricing includes breakfast.



4 General Resource Requirements

4.1 Location

As mentioned, Sample Company is located at Sample Address, Sample City, Manitoba.



Located just two hours west of Manitoba and XX minutes north of Some City, Sample City is a popular family getaway destination. Sample Company is located on Manitoba Some Highway, a location with high visibility. It is also close to the Sample City Park and Sample City Beach, both popular tourist attractions.

Sample City is also home to other attractions.

The location is highly suitable for the proposed type of business, and with investment in various marketing strategies the new owners will be able to increase revenue and further expand the business.

4.2 Suppliers

The motel offers VLTs, which are governed by Manitoba Lotteries. In addition to Manitoba Liquor and Lotteries Corporation that supplies beer and VLTs, the Company's supplier list will include Supplier, Supplier 2, Supplier 3, etc. Other purchases will be made in local grocery store on daily basis.

4.3 Distribution Channels

The Company will operate a motel; therefore, the business will not include any distribution channels.

4.4 Professional Advisors

Considering all accommodation businesses require professional services, the Company will use the services of an attorney, accountant, and sales and marketing advisor.



5 Human Resource Requirements

5.1 Housekeeper (NOC: 6731)

The Company has already hired one Housekeeper.

The Housekeeper is responsible for cleaning rooms that guests have vacated and preparing them for new guests to occupy. This employee also cleans the rooms of guests who spent the last night at the property and will stay that night as well. This employee is also responsible for unloading the dishwasher following breakfast, and doing laundry throughout the shift. Laundry must be carefully monitored throughout the shift in order to ensure that the night shift is capable of completing it in a limited amount of time. The Housekeeper cleans rooms, hallways corridors, stairways, and other work areas so that health standards are met. This employee cleans rugs, carpets, upholstered furniture, and/or draperies. The Housekeeper transports waste to disposal areas. This employee purchases groceries and household supplies to keep kitchens stocked and records expenditures.

5.2 Cooks (NOC 6322)

The Company has already hired two Cooks. In Year 3, the Company will hire one Cook.

The Cooks prepare ingredients to use in cooking and cook food in various utensils or grillers. These employees ensure visual presentation by dressing dishes before they are served. The Cooks keep a sanitized and orderly environment in the kitchen and ensure all food and other items are stored properly. In addition, these employees check quality of ingredients, monitor stock, and place orders when there are shortages.

5.3 Front Desk Agent (NOC: 6525)

The Company has already hired one Front Desk Agent.

The Front Desk Agent welcomes guests and directs them to the appropriate room. This employee answers, screens, and forwards incoming phone calls, provides information in-person and via phone and e-mail, and receives, sorts, and distributes daily mail and deliveries. The Front Desk Agent ensures the reception area is tidy and presentable and maintains office security by following safety procedures and controlling access. This employee orders front office supplies and keeps inventory of stock and performs other clerical receptionist duties such as filing, photocopying, transcribing, and faxing. The Front Desk Agent updates calendars and schedules meetings, arranges travel and accommodations, prepares vouchers, and keeps updated records of office expenses and costs.

5.4 Bartender (NOC 6512)

Sample Company will hire one Bartender in Year 1 and an additional one in Year 2.

Bartender will take beverage orders directly from patrons and mix liquor, soft drinks, water and other ingredients to prepare cocktails and other drinks. This employee will serve and sell wine, draft or bottled beer. Bartender will collect payment for beverages and record sales. This employee will maintain inventory and control of bar stock and order supplies and clean bar area and wash glassware. In addition, Bartender will ensure compliance with provincial liquor legislation and regulations.

6 Financial Resource Requirement

Capital Requirements

Mr. John Doe, Mr. Johanson Smith, and Mr. James Johanson will invest \$XXX,XXX for the purchase of the business. Out of the total amount invested, \$XXX,XXX was allocated to the business acquisition, \$XX,XXX was allocated to the closing costs (land transfer tax, legal fees, insurance, and other miscellaneous expenses) and \$XX,XXX to the operating expenses in the first six months.

The Directors will sign the purchasing agreement with the seller, and Mr. Doe will use the funds he invested to purchase XX% of Sample Company

The owners invested as follows:

Investor	Amount Invested
Mr. John Doe	\$XXX,XXX
Mr. Johanson Smith	\$XXX,XXX
Mr. James Johanson	\$XXX,XXX
Total Investment	\$XXX,XXX

7 Critical Risk Factors

This business needs to meet all the legal and applicable licensing requirements to operate a business in the Province of Manitoba. The seller is going to provide all necessary support and ensure that all city and municipal requirements are met. The lawyer will also conduct due diligence to ensure there are no current or past compliance issues with any government organization.

Critical resources requirements:

- Customer Service
- Shortage of Experienced Personnel
- Quality Management and Cost Control
- Inventory Control and Management

- Product Differentiation
- Health and Safety Compliance
- Advertising

As this is a well-established business, all resources are managed well. Being the majority shareholder, Mr. Doe will be living in Sample City and manage the business. The other two shareholders are residents of Winnipeg. They will travel to Sample City for three days per week. Mr. Doe will continue to ensure all resources are in place to run this business successfully.

8 Implementation Timeline

Mr. Doe's expression of interest has been reviewed and he has received a letter of advice to apply. However, due to the COVID-19 pandemic, he has not been able to travel to v. Once he applies and receives his work permit support letter, followed by a work permit issued by the Immigration, Refugees and Citizenship Canada, Mr. Doe will travel to Manitoba to finalize the paperwork for the business, open the bank account, and transfer the funds to Canada.

Mr. Johanson Smith and Mr. James Johanson have already purchased the business. Once his work permit is issued, Mr. Doe will invest in the business and become the XX% owner.

The Company's strategy for the first months will be the development of an extensive feasibility plan for the next three to six months of operations. In the first three months, the Company will hire one Bartender. From the third month on, the Company will start advertising activities in Manitoba. It will do so by contracting a marketing specialist who will develop a comprehensive social media strategy and implement it across various media sites. In the sixth month of operations, the Company will review its half-year performance and launch a redesigned and optimized website. In the ninth and tenth months of operations, the Company's marketing campaigns will expand search engine optimization services and use Google AdWords campaigns. At the end of the first year of operation, Sample Company will, if necessary, adapt its business approach and prepare its financial statements and forecasts for the coming year.

9 Financial Forecasts

9.1 Appendix A: Breakdown of Initial Investment

Tangible assets in 1st year	Value (CAD)
Land	\$XX,XXX
Building	\$XXX,XXX
Computers	\$X,XXX
Furniture and Fixtures	\$XX,XXX
Purchase of new equipment and furniture	\$XX,XXX
Leasehold Improvements	\$XX,XXX
Inventory	\$XX,XXX
Licenses	\$XX,XXX
Goodwill	\$XX,XXX
<i>(A)Total tangible assets</i>	\$XXX,XXX
Start-up expenditures in 1st year	
Closing Costs	\$XX,XXX
Utilities (water, gas, and electricity)	\$X,XXX
Utilities (internet and telephone)	\$X,XXX
Professional Fees (Legal Expenses)	\$X,XXX
New Marketing Costs	\$XX,XXX
<i>(B)Total start-up expenditures</i>	\$XX,XXX
(A)+(B) Total eligible business investment	\$XXX,XXX

The value of the land, building, computer, furniture, fixtures, inventory, licenses, and goodwill is taken from the Company's previous financial statements. The new owners will purchase new equipment and furniture and conduct leasehold improvements (shown cumulatively in the Cash Flow Statement as Purchase of Long-term Assets) in order to improve the business and attract more guests.

The closing costs (\$XX,XXX) and operating expenses (\$XX,XXX) are as outlined in the business concept submitted by Mr. Doe and include the expense of utilities, professional fees, and new marketing costs that will include website design and optimization and digital marketing strategy.

9.2 Appendix B: Breakeven Analysis

Gross Margin % of Sales	
Total Sales	\$XXX,XXX
Total cost of sales/cost of goods sold	\$XXX,XXX
Gross margin	\$XXX,XXX
Gross Margin/Total Sales	XX%

Total Fixed Expenses	
Payroll	\$XXX,XXX
Marketing	\$XX,XXX
Bank and Service Charges	\$X,XXX
Supplies	\$X,XXX
Utilities	\$XX,XXX
Repairs and Maintenance	XXXXX
Property Taxes	XXXXX
Professional Fees	\$XX,XXX
Insurance	\$XX,XXX
Payroll Taxes	\$XX,XXX
Other	\$X,XXX
Total Fixed Expenses	\$XXX,XXX

Breakeven Sales in Dollars	
Gross Margin % of Sales	XX.X%
Total Fixed Expenses	\$XXX,XXX
Yearly Breakeven Amount	\$XXX,XXX
Monthly Breakeven Amount	\$XX,XXX

9.3 Appendix C: Financial Forecasts

9.3.1 Pro Forma Statement of Profit and Loss

Pro Forma Profit and Loss	Year 1	Year 2	Year 3
Sales	\$XXX,XXX	\$X,XXX,XXX	\$X,XXX,XXX
Direct Cost of Sales	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Total Cost of Sales	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Gross Margin	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Gross Margin %	XX.XX%	XX.XX%	XX.XX%
Operating Expenses			
Payroll	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Marketing	\$XX,XXX	\$XX,XXX	\$XX,XXX
Depreciation	\$XX,XXX	\$XX,XXX	\$XX,XXX
Bank and Service Charges	\$X,XXX	\$X,XXX	\$X,XXX
Supplies	\$X,XXX	\$X,XXX	\$X,XXX
Utilities	\$XX,XXX	\$XX,XXX	\$XX,XXX
Repairs and Maintenance	XXXXX	XXXXX	XXXXX.X
Property Taxes	XXXXX	XXXXX	XXXXX
Professional Fees	\$XX,XXX	\$XX,XXX	\$XX,XXX
Insurance	\$XX,XXX	\$XX,XXX	\$XX,XXX
Payroll Taxes	\$XX,XXX	\$XX,XXX	\$XX,XXX
Other	\$X,XXX	\$X,XXX	\$X,XXX
Total Operating Expenses	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Profit Before Interest and Taxes	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
EBITDA	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Interest Expense	\$XX,XXX	\$XX,XXX	\$XX,XXX
Taxes Incurred	\$XX,XXX	\$XX,XXX	\$XX,XXX
Net Profit	\$XX,XXX	\$XXX,XXX	\$XXX,XXX
Net Profit/Sales	XX.XX%	XX.XX%	XX.XX%



9.3.2 Pro Forma Statement of Financial Position

Pro Forma Balance Sheet	Year 1	Year 2	Year 3
Assets			
Current Assets			
Cash and Other Current Assets	\$XX,XXX	\$XXX,XXX	\$XXX,XXX
Total Current Assets	\$XX,XXX	\$XXX,XXX	\$XXX,XXX
Long-term Assets			
Long-term Assets	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Accumulated Depreciation	\$XX,XXX	\$XXX,XXX	\$XXX,XXX
Total Long-term Assets	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Total Assets	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Liabilities and Capital	Year 1	Year 2	Year 3
Current Liabilities			
Accounts Payable	\$XX,XXX	\$XX,XXX	\$XX,XXX
Current Borrowing	\$X,XXX	\$X,XXX	\$X,XXX
Other Current Liabilities	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Subtotal Current Liabilities	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Long-term Liabilities	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Total Liabilities	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Paid-in Capital	\$XXX	\$XXX	\$XXX
Retained Earnings	\$X,XXX	\$XXX,XXX	\$XXX,XXX
Earnings	\$XX,XXX	\$XXX,XXX	\$XXX,XXX
Total Capital	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Total Liabilities and Capital	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Net Worth	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX

9.3.3 Pro Forma Statement of Cash Flow

Pro Forma Cash Flow	Year 1	Year 2	Year 3
Cash Received			
Cash from Operations			
Cash Sales	\$XXX,XXX	\$X,XXX,XXX	\$X,XXX,XXX
Subtotal Cash from Operations	\$XXX,XXX	\$X,XXX,XXX	\$X,XXX,XXX
Subtotal Cash Received	\$XXX,XXX	\$X,XXX,XXX	\$X,XXX,XXX
Expenditures	Year 1	Year 2	Year 3
Expenditures from Operations			
Cash Spending	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Bill Payments	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Subtotal Spent on Operations	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Additional Cash Spent			
Principal Repayment of Current Borrowing	\$X,XXX	\$X,XXX	\$X,XXX
Other Liabilities Principal Repayment	\$X,XXX	\$X,XXX	\$X,XXX
Long-term Liabilities Principal Repayment	\$XX,XXX	\$XX,XXX	\$XX,XXX
Purchase Long-term Assets	\$XXX,XXX	\$X	\$X
Subtotal Cash Spent	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Net Cash Flow	(\$X,XXX)	\$XXX,XXX	\$XXX,XXX
Cash Balance	\$XX,XXX	\$XXX,XXX	\$XXX,XXX

9.3.4 Assumptions

Revenue:

According to Sample Source,⁴ the average annual revenue per business in Hotels and Motels Industry in Canada is \$XXX,XXX. About XXX.XX% of the businesses is profitable according to the same source. As the Company will purchase an already operating business, with an established reputation, the revenue will be projected as slightly above average since new owners will invest in motel interior and new marketing means. In addition, the Company will also operate as a beer and VLT vendor which is also the reason why the revenue is slightly higher than the industry average.

In 20XX, Sample Company generated a revenue of \$XXX,XXX, without almost no investment in marketing strategies and with outdated décor and furniture. With new investment in leasehold improvement and creation of an extensive marketing strategy, the Company will have no obstacles in achieving the projected revenue of \$XXX,XXX in Year 1.

The Company expects to have a XX% occupancy rate in the first year of operation. The average price per room in Year 1 is expected to be \$XX in the winter (low) season, from Month to Month, and \$XXX in the summer (high) season, from Month to Month.

In Year 2, the occupancy rate is expected to rise to XX%, in line with local market averages and dynamics, increasing to XX% in Year 3.

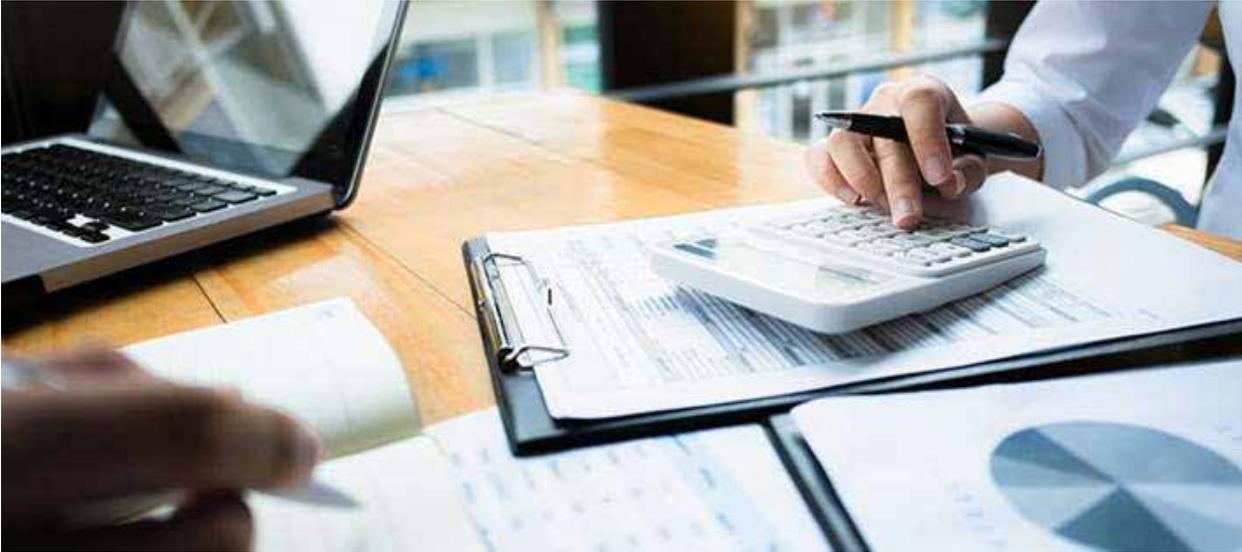
The Company is expected to generate approximately \$XXX per day from the restaurant and bar operations as well as \$X,XXX per day from beer and VLT. These categories will have a high direct

⁴ Source

costs as it includes purchases of food and alcohol supplies, beer, and the fee paid to the Manitoba Lotteries.

Room rental direct costs include the provision of guest supplies and cleaning materials. Guest supplies can include replaceable bedding products such as sheets, blankets, towels and pillows. Other supplies can include food and beverages for meals and vending machines, as well as replaceable cleaning products to ensure rooms are fit for use after a customer has departed. They will account for XX% of the room rental revenue.

Sales Forecast	Year 1	Year 2	Year 3
Sales			
Room Rental (Winter Season)	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Room Rental (Summer Season)	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Cleaning Fees	\$XX,XXX	\$XX,XXX	\$XX,XXX
Restaurant and Bar Revenue	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Beer and VLT revenue	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Total Sales	\$XXX,XXX	\$X,XXX,XXX	\$X,XXX,XXX
Direct Cost of Sales	Year 1	Year 2	Year 3
Room Rental (Winter Season)	\$XX,XXX	\$XX,XXX	\$XX,XXX
Room Rental (Summer Season)	\$XX,XXX	\$XX,XXX	\$XX,XXX
Restaurant and Bar Revenue	\$XX,XXX	\$XX,XXX	\$XXX,XXX
Beer and VLT revenue	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX
Subtotal Direct Cost of Sales	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX



Expenses:

The expenses are derived from the previous financial statements and are projected with a X% increase in the following years, taking into account effects of inflation.

The long-term interest rate is set at XX%. The Company is expected to repay short-term liabilities in the following five years, whereas the long term liabilities are expected to be repaid in the following XX-year period.

Personnel:

Personnel Plan	Year 1	Year 2	Year 3
General Manager: Mr. John Doe	\$XX,XXX	\$XX,XXX	\$XX,XXX
Housekeeper	\$XX,XXX	\$XX,XXX	\$XX,XXX
Cooks	\$XX,XXX	\$XX,XXX	\$XX,XXX
Front Desk Agent	\$XX,XXX	\$XX,XXX	\$XX,XXX
Bartenders	\$XX,XXX	\$XX,XXX	\$XX,XXX
Total Employees	X	X	X
Total Payroll Expenses	\$XXX,XXX	\$XXX,XXX	\$XXX,XXX

The Directors will receive dividends as a share of net profit.

