

# GUIDELINES FOR PREPARATION OF BUSINESS PROPOSALS

## MANITOBA PROVINCIAL NOMINEE PROGRAM – BUSINESS

The Province of Manitoba requires that applicants under the Provincial Nominee Program for Business to provide details of the proposed business which they plan to undertake once they land in Manitoba. This business proposal is required for three reasons:

1. A sound business proposal is a good indication that the applicant has thought through the idea and has come up with a workable business to operate in Manitoba that will utilize their existing skills. The business proposal should contain a well-thought out idea; not necessarily one where all issues have been thoroughly researched, but enough to demonstrate that the business has a reasonable chance of success.
2. The Province is looking to attract those businesses which offer the greatest benefit for Manitoba. Businesses which offer more economic value for Manitoba will be favored. The types of businesses that will be given priority are: Manufacturing, Food Processing, ICT (Information Communications and Technology), Primary Production (example: mining, fishing and farming), Life Sciences (example: pharmaceuticals and biotechnology), and Energy.
3. To determine the terms and conditions of the Deposit Agreement under which the Deposit will be released.

### **NEW BUSINESSES (Start-up)**

For proposals involving the establishment of a new business, the applicant should provide a comprehensive outline of the business activities, with a clear indication of the following:

- What products or services will the company be offering?
- Who will be the customers? Will the customers be local, regional, national, or global?
- What are the key markets?
- How will the company market its product to these customers?
- Where will the business be located?
- How many and what types of jobs will be created?
- What are the key sources of material and labor?

The applicant is also expected to produce a 2-5 year forecast, which includes an Income Statement, Balance Sheet, and accompanying notes providing details of assumptions. A great deal of guidance can be found on Industry Canada's web site at [http://strategis.ic.gc.ca/app/sbp/perfplus/profile/reportCriteria/capture.do;jsessionid=0000-XHgTEpWBA\\_2bqEXpokKrep:viuhl9hp?language=eng](http://strategis.ic.gc.ca/app/sbp/perfplus/profile/reportCriteria/capture.do;jsessionid=0000-XHgTEpWBA_2bqEXpokKrep:viuhl9hp?language=eng). This provides key ratios for thousands of types of businesses in Manitoba and Canada.

\*\*The applicant should also provide the source/basis for their projections other than the Statistics Canada information. If the applicant's projections vary significantly from the ratios found on this web site, then this should be explained in the notes.

\*\* **Note:** For applicants wishing to undertake a farming activity, please visit the website: <http://www.gov.mb.ca/agriculture/financial/farm/software> for "Farm Plan" information.

**EXISTING BUSINESSES:  
(Purchase of or Significant Investment in an Existing Business)**

For proposals involving the purchase of or investment in an existing business, the applicant should provide a description of the current scope of the business activity, and details regarding how the applicant will change the business (if at all). The following supporting information should be provided:

1. Historic Financial Statements for at least the past 4 years (if the business has been in operation for less time, then Financial Statements since the business inception should be provided). These Financial Statements should include a Balance Sheet, Income Statement, and Statement of Changes to the Financial Position (Cash Flow);
2. Details on how many and what types of jobs will be created and/or sustained;
3. A 2-5 year forecast including Income Statement and Balance Sheet. Major changes to the business should be reflected in the forecast, and adequately explained in the notes;
4. A brief letter of intent between the existing owners and the applicant outlining the basic understanding between the two parties. This letter should not be binding and should be subject to a formal contract being entered into once the applicant has obtained their formal visa. The letter of intent should include information on:
  - anticipated level of investment
  - details of assets or shares to be purchased (percentage of ownership being acquired)
  - brief details of anticipated management responsibilities
  - if the entire business is being acquired, what, if any, will be the transitional help offered by the existing owners.