

# BUSINESS FINANCIAL PLAN

Business financial planning is paramount to the success of any business enterprise. This event is designed to recognize FBLA members who possess the knowledge and skills needed to establish and develop a complete financial plan for a business venture. The financial plan requesting a loan from a financial institution must be economically and financially sound with a realistic time frame. In addition to learning and applying financial business decision-making skills, team participants develop business contacts, implement written and oral skills, and develop familiarity with procedures of financial institutions.

## REPORT COMPETENCIES

- identify appropriate type of loan
- complete an application for a loan
- provide justification for loan selected
- write report in appropriate business style
- spelling and grammar correct

## PERFORMANCE COMPETENCIES

- articulate need for the loan
- explain process of applying for a loan
- explain type of loan

## NBEA STANDARDS REINFORCED BY EVENT

Accounting: financial statements, special applications, interpretation and use of data

Communication: foundations, organizational

Computation: statistics and probability, problem-solving applications

Economics and Personal Finance: allocation of resources, markets and prices, banking, buying goods and services

Management: management functions, financial decision making

**CAREER CLUSTER(S):** Business, Management & Administration; Finance

## ELIGIBILITY

All local chapters may enter one individual or a team of two (2) or three (3) members. No more than one (1) team member may have won first place in this event at a previous State Business Leadership Conference nor entered this event at a previous National Leadership Conference.

1. All team members must be on record in the state and national offices as having paid dues by February 15.
2. Participants must be selected in accordance with the regulations of the local chapter and state association.
3. Participants failing to report on time for the event will not be permitted to compete.
4. The project must not have been submitted for a previous State Business Leadership Conference or National Leadership Conference. No more than one (1) team member may have competed in this event at a prior conference.
5. Participants must adhere to the dress code established by the Board of Directors, or they WILL NOT be permitted to participate in the competitive event.

## OVERVIEW

This event consists of two (2) parts: a prejudged report and a performance component. A prejudged report should be developed based on the SBLC topic given.

Up to fifteen (15) chapters with the highest scores on the project report will participate in the performance to explain the project development and implementation. Specifically the performance should address the impact of the project to the community, member involvement, and results of the project.

## **2009 State Business Leadership Conference Topic**

The topic to be researched and presented during the 2009 State Business Leadership Conference will be:

**The local garden center has been in business for five years. Currently the garden center leases the property and buildings. The lease is soon expiring. The owner of the garden center would like to purchase the property from the current owners. This garden center has no competitors within a ten mile radius. Prepare a business financial plan for purchase of the property that will be presented to a banking institution. The plan will need to include at minimum information on the sales history of the company, projected earnings, current assets, and the benefits of buying versus leasing of the property. Information may be fictitious.**

## REPORT GUIDELINES

### Report—General

1. Student members, not advisers, must prepare reports.
2. Two (2) copies of the written project must be sent to the state office and **received** by March 10.

3. Students must prepare a written synopsis of no more than 500 words that summarizes the loan. Two (2) copies of the synopsis should be included with the submission of the report in a standard file folder with the event title, participant's name, state, and school.
4. All team members must participate in the presentation.
5. Reports submitted for competition become the property of Washington State FBLA. These reports may be used for publication and/or reproduced for sale by the state association.
6. Penalty points will be given if the written plan doesn't adhere to the report cover and report contents guidelines.

#### Report Cover

1. Report covers must be cover stock, index stock, or card stock and include both a front and back cover.
2. Report covers are not counted against the page limit and may contain other information.
3. Covers may not be in plastic binders, be laminated, or have a plastic sheet overlaying the printed cover. No items, such as labels or decals, may be attached to the front cover. Two- or three-ring binders are not acceptable report covers.
4. Cutout cover stock covers are allowed, but the page containing the cover information is included in the page count.
5. Front cover contains the following information: name of student(s), name of the school, state, name of the event, and year (200x-0x).
6. All reports must be bound (e.g., tape binding, spiral binding).

#### Report Contents

1. Table of contents with page numbers
2. Follow the rating sheet sequence in writing the report. If information is not available for a particular criterion, include a statement to that effect in the report.
3. Pages are numbered and must be on 8 1/2" x 11" paper. Each side of the paper providing information is counted as a page. Pages must not be laminated or bound in sheet protectors.
4. Reports must not exceed 15 pages excluding front and back cover. (A title page, divider pages, and appendices are optional and must be included in the page count.) Synopsis does not count in the page count.
5. Copies should be sent rather than important original documents. No items may be attached to any page in the report.

#### **PERFORMANCE GUIDELINES**

1. Up to fifteen (15) individuals or teams with the highest scores on the project report will proceed to the oral presentation.
2. The members will explain the business venture, the financial plan, and their request for a loan. Judges will serve as officers of the financial institution, questioning and interacting with the team members throughout the presentation.
3. Presentation of the entry must be conducted by participants who authored the event. In the case of a team event, at least one author must give the presentation at the SBLC; however, all team members who wish to be recognized as state winners must register for the SBLC.
4. Visual aids and samples specifically related to the project may be used in the presentation; however, no items may be left with the judges or audience.
5. The chapter must provide all equipment for the presentation.
6. Five minutes (5) will be allowed to set up equipment or presentation items.
7. Visual aids and samples specifically related to the project may be used in the presentation; however, no items may be left with the judges or audience.
8. The participants should introduce themselves, describe the financial plan, make their recommendations, and summarize their case.
9. The individual or team has seven (7) minutes to present the case describing the project and the results obtained.
10. A timekeeper will stand at six (6) minutes. When each participant/team is finished, the time used will be recorded. A five (5) point deduction will be made for presentations over seven (7) minutes.
11. Following each presentation, judges will conduct a three (3) minute question-answer period.
12. Performances are open to conference participants, except performing participants of this event.

#### **JUDGING**

The presentations will be evaluated by a panel of judges. All decisions of the judges are final.

#### **STATE AWARDS**

The number of awards presented at the State Business Leadership Conference is determined by judges and/or number of entries. The maximum number will be five (5).

#### **NATIONAL ENTRIES**

Washington State may enter two (2) winning teams for national competition.

# BUSINESS FINANCIAL PLAN

## Performance Rating Sheet

Preliminary Round       Final Round

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Explanation</b>					
Description of the plan and strategies to obtain loan	0	1-5	6-10	11-15	
Underlying assumptions explained and supported	0	1-3	4-7	8-10	
Risks and potential adverse results identified, analyzed, and planned	0	1-5	6-10	11-15	
All aspects of the plan effectively presented	0	1-5	6-10	11-15	
Student evaluation of plan	0	1-3	4-7	8-10	
Demonstration of ability to effectively answer questions	0	1-3	4-7	8-10	
<b>Delivery</b>					
Thoughts and statements are well-organized and clearly stated	0	1-3	4-7	8-10	
Participant(s) demonstrate self-confidence, assertiveness, and good diction	0	1-3	4-7	8-10	
Professional and poised	0	1-2	3-4	5	
<b>Subtotal</b>					<b>/100 m</b>
<b>Time Penalty</b> Deduct five (5) points for presentation over seven (7) minutes. Time:					
<b>Dress Code Penalty</b> Deduct five (5) points when dress code is not followed.					
<b>Total Points</b>					<b>/100 m</b>
<b>Report Score</b>					<b>/200 m</b>
<b>Final Score</b> (add total points and report score)					<b>/300 m</b>

Student Name(s):			
School:		State:	
Judge's Signature:		Date:	

Judge's Comments:

VERIFICATION  
(scores checked)  
 Administrator



# BUSINESS FINANCIAL PLAN

## Report Rating Sheet

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Content</b>					
Synopsis • Summarizes the company, the purpose of the loan request, and the financial plan	0	1–10	11–20	21–30	
Company Description • Description of the business • Legal form of business • Company mission statement/vision • Company governance • Company location(s) • Long- and short-term goals	0	1–7	8–14	15–20	
Operations and Management • Business facilities described • Management personnel identified • Workforce described (current and projected)	0	1–7	8–14	15–20	
Target Market • Target market defined (size, growth potential, needs) • Effective analysis of market's potential, current patterns, and sensitivities	0	1–10	11–20	21–30	
Financial Institution • Name and type of financial institution to which loan application is being made • Rationale for choosing this financial institution	0	1–8	9–18	19–25	
Loan Request • Purpose of loan and amount requested • Itemized planned expenditures • Plan for repayment • Projections for future stability of company	0	1–10	11–20	21–30	
Supporting Documents • Works cited page	0	1–5	6–10	11–15	
<b>Format</b>					
Clear and concise presentation with logical arrangement of information following the rating sheet categories	0	1–3	4–7	8–10	
Creativity of written presentation and design	0	1–3	4–7	8–10	
Correct grammar, punctuation, spelling, and acceptable business style	0	1–3	4–7	8–10	
<b>Subtotal</b>					<b>/200 m</b>
<b>Penalty Points:</b> Deduct five (5) points each for not adhering to Report Guidelines (maximum of twenty [20] points): <input type="checkbox"/> cover incorrect <input type="checkbox"/> missing table of contents & page numbers <input type="checkbox"/> binding incorrect <input type="checkbox"/> over thirty (30) pages, pasted items <input type="checkbox"/> no page numbers in report <input type="checkbox"/> 2 copies of report not received <input type="checkbox"/> report format does not follow rating sheet					
<b>Total Points</b>					<b>/200 m</b>

Student Name(s):			
School:		State:	
Judge's Signature:		Date:	

Judge's Comments:

VERIFICATION  
(scores checked)  
 Administrator