BACKGROUND

Business Structure
1. Details on the business structure and ownership.
   _______________________________________________________________
   _______________________________________________________________
   _______________________________________________________________

2. Divisions the business is organised into and their location.
   _______________________________________________________________
   _______________________________________________________________
   _______________________________________________________________

3. Details of directors and their background.
   _______________________________________________________________
   _______________________________________________________________
   _______________________________________________________________

Personnel Structure
1. Organisational chart of the personnel structure.
   _______________________________________________________________
   _______________________________________________________________
2. Who is in charge of each of the divisions of the business and what are their duties and responsibilities?

__________________________________________________________________
__________________________________________________________________
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History
1. Brief background on the business (identify major milestones).

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

Description of Products and/or Services
1. What are the major products and/or services sold by the business?

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__________________________________________________________________
__________________________________________________________________

__________________________________________________________________
Market

1. What is the target market?

__________________________________________________________________
__________________________________________________________________

2. What share of the market do you estimate you have?

__________________________________________________________________
__________________________________________________________________

3. Who are your main competitors?

__________________________________________________________________
__________________________________________________________________

4. What are the major changes occurring in your industry and your market?

__________________________________________________________________
__________________________________________________________________

Financial

1. Review copies of the last 3 years financial statements.

2. What are the reasons for the financial results to date and your current financial position?

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
ANALYSIS OF PRODUCTS AND/OR SERVICES

1. List the products and/or services which comprise 80% of your total sales in the last year (show sales turnover and percentage of sales for each product and/or service).

<table>
<thead>
<tr>
<th>Product/Service</th>
<th>Sales Turnover</th>
<th>% of Total Sales</th>
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</table>

2. How do you cost each of your products and/or services?

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__________________________________________________________________
3a. For each product and/or service what is the gross profit in percentage and dollar terms in the last year?

<table>
<thead>
<tr>
<th>Product/Service</th>
<th>Gross Profit (%)</th>
<th>Gross Profit ($)</th>
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</table>

3b. List the products and/or services which comprise 80% of your gross profit in the last year.

__________________________________________________________________
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BUSINESS REVIEW QUESTIONNAIRE

4. What products and/or services are you considering discontinuing in the next 1 year, 3 years, 5 years?

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__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

5. What are your plans for adding/developing new products and/or services in 1 year, 3 years, 5 years?

__________________________________________________________________

__________________________________________________________________

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__________________________________________________________________
ANALYSIS OF MARKETS AND CUSTOMERS

PART 1 - MARKET ANALYSIS

1a. What are your current primary and secondary target markets?

__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

1b. What are the primary and secondary markets that you want to target?

__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

2a. How have you currently segmented your market?

Geographic
- Region
- City
- Density
- Climate

Demographic
- Age
- Gender
- Household size
- Household life cycle
- Income
- Occupation
- Education
- Nationality
- Religion
Type of Customer
- Individual
- Small business
- Corporate
- Government
- Non profit

For Corporate and Small Business customers
- industry type
- size

2b. How will you segment the markets that you want to target?

__________________________________________________________________
__________________________________________________________________
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3a. What is the estimated size of your current target markets?

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__________________________________________________________________

3b. What percentage of these target markets do you have currently?

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3c. What is the estimated size of the target markets that you want to target?

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__________________________________________________________________
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3d. What percentage of these target markets that you want do you have currently?

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4. Who are your competitors and what percentage of the markets do they have?

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5. What are the strengths and weaknesses of your competitors?

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__________________________________________________________________
__________________________________________________________________
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__________________________________________________________________
6. What trends are affecting your industry and your market?

- consumer trends
- economic trends
- government
- technology
- competition
- environment
PART 2 - CUSTOMER ANALYSIS

1a. How do you analyse your customer base?
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

1b. For what purpose is the analysis done?
__________________________________________________________________
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1c. How do you analyse customer profitability?
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
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__________________________________________________________________
1d. For what purpose is the analysis done?

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2. List the customers which comprise 80% of your total sales in the last year and state the percentage of sales each customer represents.

_________________________________________________________________
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OPERATIONS

PART 1 - MARKETING AND SELLING

1a. Do you have a marketing plan?

1b. If yes, how do you review actual performance with the plan and what action is taken arising from the review?

__________________________________________________________________

__________________________________________________________________

__________________________________________________________________

1c. If you do not have a marketing plan, how do you monitor and control your marketing efforts?

__________________________________________________________________

__________________________________________________________________

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1d. How are your products and/or services marketed currently?

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__________________________________________________________________

__________________________________________________________________
1e. What other ways could you market your products and/or services? (Consider your competitors’ marketing methods).
__________________________________________________________________
__________________________________________________________________
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1f. Do you measure the cost effectiveness of different marketing expenditure?
__________________________________________________________________
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2a. What factors influence the customer’s decision to buy your products and/or services?
__________________________________________________________________
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2b. What factors determine the frequency of purchase?
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
3a. What is your selling process?
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4a. How do you price your products and/or services?
_________________________________________________________________
_________________________________________________________________
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_________________________________________________________________

4b. Do you monitor the prices charged by your competitors?
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________
_________________________________________________________________

5. What is your customer loyalty or retention program?
_________________________________________________________________
_________________________________________________________________
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_________________________________________________________________
6. What do you do to distinguish your service to customers from your competitors' service (ie delight your customers)?

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7. How do you keep in touch with your customers? (ie how do you nurture your customer base?)

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8. How do you keep customers informed of developments in your products and/or services?

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9. What systems do you have to gain referrals from existing customers?

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10. How do you handle complaints from customers?

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PART 2 - OPERATIONS

1a. What are the current occupancy terms for the premises?

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1b. Are the premises adequate for your current operations?

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1c. Would relocation to different premises improve the efficiency and effectiveness of your operations?

__________________________________________________________________
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2a. For your normal working week how much of your operational capacity is utilised?

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2b. At what stage do you need to consider expanding your operational capacity?

__________________________________________________________________
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3a. What plant and equipment do you expect to acquire within 1 year, 3 years, 5 years and what is the estimated cost of that plant and equipment?

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__________________________________________________________________
3b. How up to date is your plant and equipment compared with your competitors’ plant and equipment and plant and equipment currently available in the market place?

__________________________________________________________________
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4a. What systems do you have in place for the control and security of your inventory?

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__________________________________________________________________
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4b. What systems do you have in place for monitoring your inventory levels?

__________________________________________________________________
__________________________________________________________________
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4c. (i) What is your optimum level of stock holding in terms of days?

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__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
(ii) What is your current level of stock holding in terms of days?

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4d. What program is in place for the identification and disposal of slow moving and obsolete stock?

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5. How do you distribute your products and/or services?

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6. What methods of distributing your products and/or services may be more cost effective?

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PART 3 - HUMAN RESOURCES

1a. Is there a human resource plan which identifies the qualifications, skills and experience required by personnel currently, in 1 year, 3 years and 5 years?

1b. If no, how do you plan your personnel requirements?

__________________________________________________________________
__________________________________________________________________
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2a. For key personnel is there a succession plan in place?

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

2b. How do you retain your key personnel?

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__________________________________________________________________
3a. How often are written staff appraisals performed which identify strengths and weaknesses and opportunities for career development?

__________________________________________________________________
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3b. Do you reach written agreement with your employee on what action is needed to be taken on strengths and weaknesses identified in the appraisal and subsequent monitoring of the action taken?

__________________________________________________________________
__________________________________________________________________
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4. Are training needs identified for each employee?

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

5. What incentive or award systems are in place for employees?
6. For each business area how do you rate the performance of each key employee?

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Key Employees</th>
<th>Unsatisfactory</th>
<th>Satisfactory</th>
<th>More than Satisfactory</th>
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</table>
PART 4 - FINANCE, INSURANCE AND LEGAL

1a. What are your current funding facilities and to what extent are they utilised at present?

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__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

1b. What are the current terms and conditions and renewal dates for the funding facilities?

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

1c. What is the ability of the business to fund further debt or obtain an increase in equity?

__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
2. What is the current and past performance for the financial ratios below?

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>1 Year Ago</th>
<th>2 Years Ago</th>
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</thead>
<tbody>
<tr>
<td><strong>Liquidity Ratio</strong></td>
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<tr>
<td>Acid Test</td>
<td>Quick Assets</td>
<td>Current Liabilities</td>
<td></td>
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<tr>
<td><strong>Profitability Ratio</strong></td>
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<tr>
<td>Gross Margin</td>
<td>Gross Profit</td>
<td>Net Sales $ \times \frac{100}{1}$</td>
<td></td>
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<tr>
<td></td>
<td>PBIT Margin</td>
<td>Net Sales $ \times \frac{100}{1}$</td>
<td></td>
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<tr>
<td>Net Profit Margin</td>
<td>Net Profit after Tax</td>
<td>Net Sales $ \times \frac{100}{1}$</td>
<td></td>
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<tr>
<td>Return on Net Assets</td>
<td>PBIT</td>
<td>Net Assets $ \times \frac{100}{1}$</td>
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<tr>
<td>Return on Equity</td>
<td>Net Profit after Tax</td>
<td>Equity $ \times \frac{100}{1}$</td>
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<tr>
<td><strong>Activity Ratio</strong></td>
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<tr>
<td>Inventory Turnover Days</td>
<td>Inventory</td>
<td>Cost of Sales $ \times 365$</td>
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<tr>
<td>Creditor Days</td>
<td>Creditors</td>
<td>Cost of Sales $ \times 365$</td>
<td></td>
</tr>
<tr>
<td>Debtor Days</td>
<td>Debtors</td>
<td>Sales $ \times 365$</td>
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<tr>
<td><strong>Leverage Ratio</strong></td>
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<tr>
<td>Gearing Ratio</td>
<td>Long Term Loans + Current Liabilities</td>
<td>Equity $ \times \frac{100}{1}$</td>
<td></td>
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<tr>
<td>Interest Cover</td>
<td>NPIT</td>
<td>Interest</td>
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</table>
3. What business insurance does the business have?
   - fixed assets/inventory
   - professional indemnity
   - loss of profits
   - key person
   - directors' liability
   - workers compensation
   - public liability
   - product liability

4. What legal actions (if any) are in progress or anticipated?

5. Are there any tax disputes with the Taxation Office?