

## *Worksheet for Financing Options for Small Business*

As explained in the course, financing is a key element of any small-business venture. Use this worksheet to write down your thoughts, ideas, and action items as they relate to financing options for your business. The questions below follow the topics discussed in the course. You can use the fillable PDF form, or print the worksheet on a printer and write in the space provided.

*Before you look into the financing options for your business, the first thing you need to do is to assess your current financial situation thoroughly.*

### **Determine Your Financing Needs**

For most financing, knowing or having a plan for the next five years is essential in calculating how you plan on paying back any debt financing. Do you have a solid business plan with five years of financial projections? Yes or No

Do you include a Profit and Loss (P&L) statement, balance sheet, sales forecasts, and cash flow statement? Yes or No

If you answered Yes, you're on the right track to determining your financing needs. If you answered no, you may want to consider writing a business plan or developing a P&L or Cash Flow statements. If this is confusing, you can try taking our other online courses such as [Introduction to Accounting](#) or [How to Write a Business Plan](#) to learn more about them. You can also meet with a business development specialist near you for assistance. Use the space below to list any action items or questions you have.

Does your business need more capital or can you manage within existing cash flow?

What is the nature of your need? (Start or grow your business or to protect against a credit risk?)

How urgent is your need?

How great are your risks?

In what state of development is your business?

For what purposes will the capital be used?

What is the state of your industry?

Is your business seasonal or cyclical?

How strong is your management team?

How does your need for financing mesh with your business plan? As suggested in the course, most, if not all, lenders will want to see a solid, well-thought-out business plan for the startup and growth of your business.



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Do you know your personal credit history and have you recently reviewed your credit report and corrected any errors (if any)? Use the space below to write any action items related to this task.

Do you think you will need collateral for financing? If so, make a list of the assets you may want to use for collateral and their value.

Do you need long term or short term financing? Use the space below to identify the best choice for your situation. Also, a short one-sentence justification or statement to help you remember why you made the choice is a good practice, in case you meet with a business development professional.

If you think a loan is the right financing for your business, have you narrowed down the choices to the type(s) that will work best for your situation? (Traditional loan, SBA guaranteed loan, Micro-loan)? If so, use the space below write down your thoughts and ideas.

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Do you think you may want to pursue alternative and nontraditional funding sources? If so, which ones (Grants, Venture Capital, Angel Investors, Retirement Accounts, Reverse Mortgage, Crowdfunding, or Peer-to-Peer lending)? What are your next steps to pursue these options?

Do you need a Surety Bond? If so, where will you go to research your options?

Have you used SBA's Accessing Financing Search tool? If not, this might be a great resource to help you narrow down your options. Visit <http://1.usa.gov/1gwGiF9> (NOTE: The URL is case-sensitive so be sure you type in the URL using upper or lower case letters)

## RESOURCES:

This worksheet is intended to help you document your ideas and possible solutions to common challenges small businesses face daily. You're not alone! If you'd like talk to someone about your business, the SBA has a broad network of skilled counselors and business development specialists waiting to help your business start, grow, and succeed. Below is a short description of our resource partners:

- There are more than 1,000 **Small Business Development Centers (SBDCs)** located around the country. SBDCs provide management assistance to current and prospective small business owners.
- **SCORE** is a powerful source of free and confidential small business advice to help build your business. More than 10,000 SCORE volunteers are available to share their experience in lessons learned in small business.
- **Women's Business Centers (WBCs)** assist women and men in achieving their dreams by helping them start and run successful businesses. Over 90 WBCs are located around the country.
- The **SBA** has over 60 **District Offices** located throughout the country to help you start and grow your business.
- The **SBA Learning Center** is a powerful virtual campus with online training, videos, tools and links to local resources.
- The SBA's Emerging Leaders Initiative is hosted in 27 markets around the country using a nationally demonstrated curriculum that supports the growth and development of small firms that have substantial potential for expansion and community impact. A competitive selection process results in company executives participating in high-level training and peer-networking sessions led by professional instructors.
- **Regional Innovation Clusters** act as a networking hub to connect small businesses in a particular industry sector and geographic region with other business innovators in the same sector and with specialized suppliers, research institutions, large prime customers and investors who also operate in that sector.
- The SBA's **Office of Women's Business Ownership** serves as an advocate for women-owned businesses. The office oversees a nationwide network of 110 Women's Business Centers that provide business training, counseling and mentoring geared specifically to women, especially those who are socially and economically disadvantaged. The program is a public-private partnership with locally-based nonprofits.
- The **Veterans Business Outreach Program (VBOP)** is designed to provide entrepreneurial development services such as business training, counseling and mentoring, and referrals for eligible veterans owning or considering starting a small business. The SBA has 15 organizations participating in this cooperative agreement and serving as **Veterans Business Outreach Centers (VBOC)**.

Find your local resource using our handy zip-code tool: [www.SBA.gov/local-assistance](http://www.SBA.gov/local-assistance)

For more information about SBA programs and services, please download the *2014 Resource Guide for Small Business*, available for download at the following URL:

[http://www.sba.gov/about-sba/what we do/resource guides](http://www.sba.gov/about-sba/what_we_do/resource_guides)