

A critical aspect for small businesses is funding. Many entrepreneurs can have successful ideas on paper, but without the proper financing, these ideas will never get off the ground. Proper Financing from various sources like Loans or Government Grants, businesses can finance their operations through debt financing or non-repayable contributions.

Below are the top 3 easiest reasons for your business to get funding today!

Reason 1: Purchase Real Estate or Expand Operations

Getting financing to increase business space is a sign that the business is successful and wants to grow and become even more successful. The expansion will indicate a firm is turning a profit and has a positive cash-flow. This is a good sign for lenders as they see positive numbers today and even more positive forecasting numbers for the future. Companies applying for business grants towards expanding their operations are more likely to obtain the grant due to the economic growth the company will impact towards the economy

Reason 2: Purchase Equipment

Small Businesses can use the financing to obtain equipment. Through a loan, you can either buy or lease the equipment. With a loan, you can write off the acquisition through taxes, the first year you own the equipment and the depreciation of the equipment over the course of its life. Since you have this asset, a lender is more at ease to give you the financing needed. If you default on payments they can try to recuperate any money lost through the selling of equipment. Grant programs for equipment are much easier to obtain as the business case would usually be sound and jobs will most likely be created through this purchase.

Reason 3: Increase Inventory and Working Capital

Small Businesses looking to gain financing for inventory purchases are usually due to the seasonality of their sales. This would be a short-term loan that would be usually paid off after the season is over. It's a low risk for lenders as the purchase orders may be spoken for prior to the money being lent.

Working capital is used for your day-to-day operations. A small business will need this capital to meet their needs until they start earning sufficient enough funds to cover their day-to-day. This is usually start-up capital. A short-term loan can be obtained through financial institutions with a sound business case and leveraged assets. There are many available government programs today that can help starting entrepreneurs get their start-up capital with a sound business case that shows an increase in the local economy in terms of job creation.

For information on how to obtain financing, the Canadian Grants Business Center is the choice for you. With our years of research, we will show you where and how to obtain financing for your business. [Contact us](#) today!