



# Business Plan

## NOTES

### What should my business plan include?

Your business plan should include:

#### The executive summary

This summary contains only the absolute **key points** of your whole business proposal. It highlights the most important points:

- the purpose of the business plan
- your product or service, and its benefits to your target customer
- the market opportunity
- the management team
- any track record to date
- financial projections
- funding requirements.

*(In the Microsoft Word© template, insert a page for your executive summary before the first page.)*

#### The rest of the plan generally covers:

##### 1 Business details

Include names, addresses, details and the legal status you have chosen.

##### 2 Business objectives

Make clear why you want to start the business — what your motivation is and what the business should achieve in the short, medium and long term.

##### 3 Key personnel

Readers of your business plan will want to know about the key people who will be involved in the running of the business.

##### 4 The marketing plan

In your plan, you will need to think about:

- Who will be your **customers** (your 'target market')?
- What **products or services** will you sell?
- List your major **competitors**, saying who, what and where they are. Describe any **market research results** and evidence.

#### NERVOUS ABOUT MARKETING?

There is a Business Link workshop called **How to win and keep customers**.

Book on it now for more in-depth information about marketing and selling in your new business. Call the Customer Service Team on **0845 600 9 006**.

- Describe your **image or brand**, including your business name, your corporate logo, typefaces and colours. If you have them, list your signs, uniforms, and other similar items.
  - Describe how you have worked out the **prices** you plan to charge. Compare them with the prices your competitors are charging. Explain why their prices are different from yours.
  - **Marketing objectives** show **how much** or **how many** of each product or service you plan to sell to each customer (or type of customer). You may have other objectives, too, but you must be able to measure them.
  - The **marketing strategy** shows **how** you plan to achieve your marketing objectives.
  - The **tactical marketing plan** should add **detail** to the first year of your marketing strategy. It should show who must do what, by when, in order to make the first year of your plan succeed.
- ##### 5 Sales
- A realistic **sales forecast** is the basis for all your other figures. Work out what sales you can expect for each of your products (or services) to each type of customer.
- ##### 6 Distribution
- Consider any products and materials you will need to move from place to place (your **distribution**). Detail the costs and timescales involved in transporting them.

## 7 Suppliers

Your suppliers are important — most businesses depend on their suppliers. List who your suppliers will be and what you will buy from them. Include credit terms.

## 8 Resources

What resources will your business need? Itemise the resources you will need in your start up phase and in the future.

## 9 Information technology (IT)

List the hardware and software that you will need, and how it will be supported. Decide whether your business will need a website. Explain why you need it, who will build it, when and at what cost.

## 10 Premises

Describe the type of premises you need for your business. List any office space, warehousing or manufacturing facilities required. Detail the terms and costs.

## 11 Staffing

State what roles you will need, the skills that will be needed, and how many staff members you will need in each role.

## 12 Legal requirements

List any legal requirements for your business, including any policies, insurances, trade marks and copyrights.

## 13 Financial information (existing businesses)

If your business has been running for some time, you should provide some additional information:

- State when the business was started.
- Outline the history of the business to date.
- Describe your current customers and the size of the order book.
- Include your profit and loss figures for the last three years, if you have them.
- Provide your latest balance sheet figures, if you have them.

### FRIGHTENED OF FINANCE?

We can help! There is a Business Link workshop called **Managing your money**. Book on it now for more information about handling the money in your new business. Call the Customer Service Team on **0845 600 9 006**.

## 14 Financial information (start up businesses)

*Your finance plan should include:*

- Your **profit and loss (P&L) forecast** — this provides a clear indication of how your business will move forward.
- Your **cashflow forecast**. The cashflow shows how much money you expect to be flowing into and out of your bank account, and when. You must show that your business will have enough money to survive.

## 15 Financial requirements

State how much money you wish to borrow, what assets you have available as security, and how you will repay the money. List any risks and how you will plan for them.

## 16 Personal asset statement

List your personal assets: property, savings, insurances, cars and any other items you could sell to raise money to fund your business. Also show your personal liabilities — any payments you have to make.

## Appendices

A simple business plan may need no appendices — everything can be included in the text. More complex plans may summarise information in the text, putting the detailed data in appendices at the back. These include:

**Financial information, such as:** monthly sales forecasts, month-by-month cashflow forecasts, P&L forecasts, profit margins on individual products, debtor collection periods, creditor payment periods, interest and exchange rates, equipment purchases.

**Staff:** CVs for key personnel .

**Market research data:** Product literature or technical specifications, names of committed or target customers.