

## **THE BUSINESS PLAN – LAYOUT & CONTENT.**

The following business plan format has been designed to achieve three main objectives:

- It provides the breadth and depth of information to meet the lending criteria of most UK high street banks or business angel investors
- It meets the best-practice criteria of the SFEDI National Standards for business planning
- Most importantly, it requires the potential entrepreneur to understand and address a range of key questions and issues that are essential to survival during the start-up and early stages of a new business

The format below is quite generic and therefore not every section will be relevant to every potential new business, however, the sections relating to business proposers, finance, marketing and implementation should be treated as essential content without which a potential lender or investor will be unable to reach a decision. The business plan should also be treated as a sales document, presenting a positive and up-beat perspective, and should not contain too much technical product data – the place for that is in the appendices. The focus should be on emphasising benefits and solutions that will be attractive to potential customers.

Finally, there is a comprehensive and easy-to-read supporting text that has been written specifically around this template – “Enterprise Planning & Development” Butler (2006) Butterworth Heinemann, ISBN: 0750680644.

### **I. THE BUSINESS IDEA** (*Introduction / overview / executive summary of Business Plan*)

- I.1 Type of business proposed & trading status
- I.2 Range of services to be offered (primary & secondary)
- I.3 Personal parameters, e.g. full-time, part-time, hobby, lifestyle factors, constraints, etc
- I.4 Geographical location
- I.5 Brief summary of anticipated customers / target market & their distribution
- I.6 Statement of viability - why I / we will succeed

### **2. THE BUSINESS PROPOSER(S):**

- 2.1 Brief background / personal history / summary C.V.
- 2.2 Personal influences, ambitions and long-term objectives
- 2.3 Why I / we want to go in to business
- 2.4 Personal skills and experience relevant to business.
- 2.5 SWOT analysis, & personal development needs

### **3. RESOURCES REQUIRED:**

- 3.1 Costed start-up inventory of equipment & materials
- 3.2 List of any equipment / materials already available
- 3.3 Details of Intellectual Property Rights owned / applied for
- 3.4 Any modifications to premises required?
- 3.5 Transport requirements / availability
- 3.6 Staff & skills requirements in early stages (if needed).
- 3.7 Relevant Health & Safety factors / implications

### **4. FINANCE:**

- 4.1 First-year budgetary plan & cash-flow forecast.
- 4.2 Explanation of basis for planned budget
- 4.3 Personal Survival Budget
- 4.4 Break-even analysis
- 4.5 Profit forecasts for years 1 & 2.
- 4.6 Value of current resources / capital available / investment to date
- 4.7 Further finance required (and phasing if appropriate)
- 4.8 Potential sources of finance – loan capital / equity options
- 4.9 Chosen sources of finance & reasons for choice
- 4.10 Financial monitoring procedures within the business

### **5. MARKETING:**

- 5.1 Detailed description of target market & operating area
- 5.2 What is special / unique about my / our services, or how do they differ from those offered by my competitors?
- 5.3 Market research carried out and/or planned for the future
- 5.4 Description of relevant seasonal factors, other influences
- 5.5 Analysis of competitors services, activities, prices etc
- 5.6 The marketing plan
- 5.7 Samples of advertising material, leaflets, business cards
- 5.8 Schedule of fees and charges for products or services
- 5.9 Statement of quality standards & customer service policies, and how these will be monitored to maintain and improve services
- 5.10 Monitoring of sales, and changes in marketing trends

**6. IMPLEMENTATION & MONITORING** *(describe the following):*

- 6.1 Chosen means of operation (sole-trader / partnership / limited company etc), and reasons for choice.
- 6.2 Maintaining compliance with relevant legislation (including brief summary of why other key legislation may not be relevant to you).
- 6.3 Timetable / phasing of the start-up (including pre-start-up research & development / proof of concept activity if relevant).
- 6.4 Identification of key / critical stages of implementation, risk analysis including key tasks, potential delays etc, and contingency plans for dealing with problems.
- 6.5 Longer-term objectives for the business, once established
- 6.6 How you will measure the success of the business

**7. SUMMARY**

- 7.1 Re-affirm reasons for viability and expected success

**8. APPENDICES** *(other information supporting your plan, e.g:)*

- 8.1 Letters of intent / support from potential customers / suppliers
- 8.2 Market research data
- 8.3 Estate Agents information on potential premises
- 8.4 Design material / copyrights / patent information
- 8.5 Detailed CVs of proposers and / or associates

1<sup>st</sup> February 2008

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