**Business Plan Template**

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Note: Use this as outline guidance only, each plan is unique to the business. Consider drafting straight into power point.

**Company Name**

**Business Plan**

**Years**

Contents

[1. Executive Summary 3](#_Toc131602299)

[2. History 3](#_Toc131602300)

[3. Products and Services 4](#_Toc131602301)

[4. Markets and Marketing 5](#_Toc131602302)

[5. Operations 8](#_Toc131602303)

[6. Management And Organisation 9](#_Toc131602304)

[7. Potential Risk Factors 10](#_Toc131602305)

[8. Financial Information 11](#_Toc131602306)

[9. Objectives 12](#_Toc131602307)

[Appendices 13](#_Toc131602308)

1. **Executive Summary**

[The aim of the Executive Summary is to give the reader an overview of the plan. The summary should be written last and pull together the key elements from the sections that follow.

Investors, banks and others who read your plan will decide whether to read the detail or reject it on the reading of the Executive Summary. It needs therefore to be concise, highlight the important aspects and convince the reader to read further.]

* 1. **Business Opportunity**
  2. **Purpose of Plan**
  3. **Description of Business**
  4. **Background of Management**
  5. **Summary of Funding Requirements**
  6. **Financial Projections**
  7. **Trading Record**

1. **History**

[Prospective funders commonly evaluate future potential by looking at past performance. This section needs to set out the progress of the business to date in terms of the products or services which have been successful, and those that were not, with lessons drawn from the latter.

If there is no track record, the rationale behind the formation of the business should be set out.]

* 1. **Group Structure**
  2. **Date of Incorporation and Trading**
  3. **Current Funding**

[Include details of shares and loans]

* 1. **Financial Performance**

[Include past performance and current position]

* 1. **Current Financial Commitments**
  2. **Outside Shareholders**

[Past and present]

* 1. **Major Contracts**

[Include any major customer or supplier agreements]

1. **Products and Services**

[This section should set out a clear description of the current and prospective products and services to be offered by the business. You should assume that the reader will not have any detailed knowledge of your business or its markets.

For any services or products under development, you should indicate the state of development and the timescales and resources needed to bring the products or services to completion.]

* 1. **Description**
  2. **Target Markets**
  3. **Applications**
  4. **Unique Features**

[Describe any unique features of your products or services and the benefits to customers]

* 1. **Barriers to Competitors**

[Include here any patents, trade secrets or other barriers to competitors]

* 1. **Regulatory Environment**
  2. **Future Developments**
  3. **Threats**

[Include here any threats to the products or services such as changes in technology.]

1. **Markets and Marketing**

[After products, many potential investors will consider this to be the most important section. They will be looking for well-researched information to give them comfort that the sales projections can be achieved by a combination of market knowledge and a sales plan to achieve market share.]

* 1. **The Market**
     1. **Market Description**
     2. **Market Size**
     3. **Historic and Future Growth**
     4. **Major Factors affecting Market Growth**
     5. **Major Customer Groups**
     6. **Target Segments**
     7. **Geographic Spread**
     8. **Buying Characteristics**

[Include here whether the market buys direct or through intermediaries, whether they go out to tender or offer exclusive contracts.]

* + 1. **Seasonal Nature of Market**
  1. **Competition**
     1. **Competitors Market Share**
     2. **Competitors Strengths and Weaknesses**
     3. **Product and Service Comparisons**
     4. **Competitors Response**

[Describe here the likely response of your competitors and your planned counter response.]

* + 1. **Target Market Share**
    2. **Principal Competitive Factor**
    3. **Potential New Entrants**
  1. **Customers**
     1. **Existing Customers**
     2. **Anticipated Customers**
     3. **Customers Buying Rationale**
     4. **Expressions of Interest**
     5. **Potential Customers Lost**

[Include here potential customers who have not shown interest and the reasons why.]

* + 1. **Objection Handling**
    2. **Customer Expectations**

[Include here the customer’s expectations on price, service, warranties etc.]

* 1. **Marketing**
     1. **Market Positioning**
     2. **Pricing Policy**
     3. **Identifying and Contacting Customers**
     4. **Sales Strategy and Methods**
     5. **Advertising and Promotion**
     6. **Distribution Channels**
     7. **After Sales Service**

1. **Operations**

[Funders will be interested to read of the facilities, location, equipment and labour necessary to produce the products or services over the next five years. You should emphasise the areas that will be critical to your success and those which will yield a competitive advantage where applicable to your business.]

* 1. **Location**
     1. **Present and Planned Location**
     2. **Labour Availability**
     3. **Proximity to Customers and Suppliers**
     4. **Benefits and Drawbacks**
     5. **Availability of Grants**
  2. **Premises**
     1. **Description of Premises**

[Include here the description and age of the premises.]

* + 1. **Space Requirements**

[Include here the actual size of the premises and detail how much is used for production, office, storage and distribution.]

* + 1. **Tenure of Premises**

[Include here the rent and rates payable and rent review dates.]

* + 1. **Capacity**

[Include here the capacity of the premises and future expansion capability.]

* 1. **Production**
     1. **Nature of Production Prices**
     2. **Sub-Contractors Policy**
     3. **Capital Equipment Requirements**

[Include here lease or buy criteria]

* + 1. **Labour Requirements**
    2. **Major Suppliers**

[Include here any major critical suppliers and identify alternative sources of supply.]

* + 1. **Stockholding Policy**

[Include here the policy on stock of both raw materials and finished goods.]

* + 1. **Quality Control Procedures**
    2. **Purchase Control Procedures**
  1. **Labour**
     1. **Skills Required**
     2. **Training Policy**
     3. **Pay Structure**

1. **Management And Organisation**

[From the funders perspective, management skills and talent are the key factors for the business to be successful. A good, balanced and experienced management team can make a good idea happen. This section needs to emphasise the experience and competence of each key member of the team. Limitations on the time and experience of “one man bands” usually make them unacceptable, except if there is an outstanding track record.]

* 1. **The Directors**

[Include here a synopsis of the directors, their relevant experience and primary role.]

* 1. **Key Management**

[Include here a synopsis of the key management, their relevant experience and primary role.]

* 1. **Non Executive Directors**

[Include here the experience and role of any non-executive directors.]

* 1. **Organisational Structure**
  2. **Personal Investment in Business**
  3. **Salary and Benefits Package**
  4. **Weaknesses**

[Include here any weaknesses in the team and how they will be addressed.]

* 1. **Staff Retention Policy**
  2. **Professional Advisors**
  3. **Future Recruitment Plans**

1. **Potential Risk Factors**

[It is important to demonstrate that management has considered the potential risks to the business and how they will be dealt with. New or developing companies are most likely to encounter problems that may invalidate the key assumptions that underlie the plan.

It is not possible to give a full list, as every business is unique.]

* 1. **Financial Under Achievement**
  2. **Staff Recruitment and Retention**
  3. **Delays to Market**
  4. **Competitors Pricing Actions**
  5. **Overspend on Overheads**
  6. **Unsuitable Premises**

1. **Financial Information**

[This section brings together all of the information from the rest of the plan in a financial form. It is usually more appropriate to summarise the projections in this section, with the detailed schedules as an appendix. The section should comment on and analyse the figures, which are normally given for a five-year period, and represent management’s best estimates. The projections will also provide the operating plan for the financial management of the business.]

* 1. **Summary**
  2. **Commentary**
     1. **Sales Trends**
     2. **Margin Fluctuations**
     3. **Cost Patterns**
     4. **Sensitivity Analysis**
     5. **Cashflow Peaks and Troughs**
     6. **Capital Expenditure**
     7. **Balance Sheet Gearing**
     8. **Interest Cover**
  3. **Funds Required**

[Include here the funds required, the timing and uses.]

* 1. **Exit Route**

[Include here the possible exit routes for shareholders; e.g. trade sale or flotation or share buy-back.]

1. **Objectives**

[The plan should include a section that sets out both the objectives for the company and also the personal objectives of the owners/shareholders. It is important that the potential funders understand these objectives from the outset so that you can both move forward in the same direction.

These can be expressed by a series of milestones, with timescales for each of the key segments of the plan to be achieved.]

# **Appendices**

[Insert as applicable]

1. Glossary of Terms
2. Summary – Technical data, new products, including patent specifications
3. Market Entry Report
4. Marketing Plan
5. Order and Enquiry Status
6. Current Shareholders
7. Organisation Chart – Current, year2, year3
8. Curriculum vitae of senior management
9. Financial Projections (years one to three)
   1. Projected Balance Sheets
   2. Monthly Profit and Loss Forecasts
   3. Monthly Cash Flow Forecasts
   4. Assumptions Used
      1. Accounting Principles
      2. Sales and Marketing share assumptions
      3. Days sales in accounts receivable
      4. Bad Debts
      5. Interest
      6. R&D Costs
      7. Facility Costs
      8. Warranty Costs
      9. Payroll Expense
      10. Cost of Materials
      11. Taxes
      12. Sensitivity/Break Even Analysis
10. Three Years Audited Accounts