

**Business plan template (this document is intended as a guide document)**

**Business Plan**

**Name of Business:**

Click or tap here to enter text.

**Business Address:**

Click or tap here to enter text.

**Tel:**Click or tap here to enter text.

**Mob:** Click or tap here to enter text.

**Email:**Click or tap here to enter text.

**Web:**Click or tap here to enter text.

**Prepared by:**

Click or tap here to enter text.

**Contents**

**1 Executive Summary**

**2 Background**

**2.1 Personal History**

**2.2 Business History**

**2.3 Business Objectives**

**3 Product/Service**

**3.1 Description**

**3.2 Pricing**

**3.3 Product/Service Cost**

**3.4 Suppliers**

**4 Market**

**4.1 Market Research**

**4.2 Marketing Plan**

**4.3 Sales Forecast**

**5 People**

**6 Operations**

**6.1 Premises**

**6.2 Systems and Processes**

**6.3 Vehicles and Equipment**

**7 Legal**

**7.1 Legal Structure**

**7.2 Safety/Premises Law**

**7.3 Business Law**

**7.4 Insurance**

**8 S.W.O.T.**

**8.1 Contingency Plan**

**9 Finance**

**9.1 Start-up Costs**

**9.2 Funding Requirements and Sources**

**9.3 Personal Survival Budget**

**9.4 Break-Even Sales**

**9.5 Financial Forecasts**

**10 Appendices**

1. **Executive Summary**

This is a summary of the whole plan and its purpose is to provide the reader with a brief overview of the key elements of your plan. You should write this section last. It should be no more than 1 page long and should include:

* Description of the product(s) and/or service(s) you will provide.
* What you hope to achieve (business objectives).
* What will make you better than your competitors.
* Location of the business, how it will operate and who will manage it and work in it.
* Level of sales and profit that will be made in the first and subsequent years.
* How much money is required to start your business and where will it be sourced from.

Click or tap here to enter text.

1. **Background**
	1. **Personal History**

Provide some brief details of your background and that of your business partner(s) (if applicable). Enclose a copy of your CV(s) as an appendix.

Click or tap here to enter text.

* 1. **Business History**

Explain the following:

* The proposed business.
* Why you have chosen it.
* Any unique elements of the business idea.
* How your knowledge and experience will help you to succeed.

Click or tap here to enter text.

* 1. **Business Objectives**

Describe your business and personal objectives for the next 12 months and 3 years.

Click or tap here to enter text.

1. **Product/Service**
	1. **Description**

Describe what product(s) and/or service(s) you will be providing.

Click or tap here to enter text.

* 1. **Pricing**

Provide details of your prices and an explanation of how they have been calculated. A price list may be included as an Appendix.

Click or tap here to enter text.

* 1. **Product/Service Cost**

Provide details of your direct costs for the product(s) and/or service(s) you will provide (i.e. product purchase costs, material, direct labour).

Click or tap here to enter text.

* 1. **Suppliers**

Include details of your suppliers and sub-contractors. What is your relationship with them? How much do you rely on them?

Click or tap here to enter text.

1. **Market**
	1. **Market Research**

This section should provide evidence of existing and future demand for your product(s) and/or service(s).

Describe what research you have carried out. Your research should utilise secondary sources of information (internet, trade magazines, market sector reports, competitors’ data, etc) and primary research directly conducted with your potential customers (surveys, interviews, focus groups, questionnaires, test marketing, sample feedback, etc).

You should analyse the results and explain your findings. These findings should consider three key areas: the market, customers and competitors.

**The market**

How big is the market for your product(s) and/or service(s)? What are the market trends and key influences on demand? Which market segments will you target and why?

Click or tap here to enter text.

**Customers**

Who will your customers be? What is your typical customer profile(s)? What are their motivations for buying? What are their buying habits and preferences? How much and how frequently will they buy?

Click or tap here to enter text.

**Competitors**

Who are your competitors? What product(s) and/or service(s) do they provide? What prices do they charge? How successful are they (market reputation, financial performance, size)? What are their strengths and weaknesses? What makes you stand out from your competitors (your competitive advantage)?

Click or tap here to enter text.

* 1. **Marketing Plan**

Explain how you will reach your target customers. Explain what methods you will use to promote and sell your product(s) and/or service(s). Explain why you have chosen these methods and what results you expect from them.

Click or tap here to enter text.

* 1. **Sales Forecast**

Provide details of how many sales per month you think you are going to achieve for each of your products and/or services and the price you are going to charge. Insert your monthly forecast into your profit and loss projection and cash flow forecast. Explain your assumptions upon which your forecast is based. Remember to allow for time to build up your sales in the early months of trading and any seasonal variations, etc.

Click or tap here to enter text.

1. **People**

Who will be employed in the business? What roles will they carry out? Provide brief job descriptions.

Click or tap here to enter text.

1. **Operations**
	1. **Premises**

Where will the business operate from, i.e. home, will you be leasing premises, buying premises? Describe the premises (type, size, location, facilities).

Click or tap here to enter text.

* 1. **Systems and Processes**

Describe how the business will work. Detail key systems and procedures. Explain how you will control quality and manage customer service. Identify key functions and who will carry them out.

Click or tap here to enter text.

* 1. **Vehicles and Equipment**

What physical resources will be required (vehicles, machinery/tools, office equipment, IT hardware and software, etc)?

Click or tap here to enter text.

1. **Legal**
	1. **Legal Structure**

Explain which legal structure you have chosen and why (sole trader, partnership, limited company, etc).

Click or tap here to enter text.

* 1. **Safety/Premises Law**

Identify the key areas of safety and premises related law and regulation you will need to comply with (e.g. Health and Safety, environmental health, planning, licensing, product safety, fire, etc). Explain what actions you will take to ensure you comply.

Click or tap here to enter text.

* 1. **Business Law**

Explain the key areas of business related law and regulation you will need to consider, (e.g. data protection, employment, tax/VAT, contracts, and agreements, terms and conditions, company, partnership, intellectual property, business names, trading law, etc). Explain what actions you will take to ensure you are operating within the law and managing your commercial risks.

Click or tap here to enter text.

* 1. **Insurance**

Provide details of all insurances, (e.g. professional indemnity, product liability, employers’ liability, public liability, vehicle, buildings/contents, stock/good in transit, etc)

NB: The lists in section 7: Legal Issues are not exhaustive and you should thoroughly research all the legal requirements relating to your particular business.

Click or tap here to enter text.

1. **S.W.O.T.**

Assess the internal strengths and weaknesses of your business. Identify the external opportunities and threats facing the business in the marketplace.

|  |  |
| --- | --- |
| **Strengths**Click or tap here to enter text. | **Weaknesses**Click or tap here to enter text. |
| **Opportunities**Click or tap here to enter text. | **Threats**Click or tap here to enter text. |

* 1. **Contingency Plan**

Explain how you will address your internal weaknesses and overcome the potential threat to your business if and when they occur.

Click or tap here to enter text.

1. **Finance**
	1. **Start up costs**

List everything you will need to set up and start your business. Please indicate if you already own, or have purchased the item and any current value.

|  |  |  |  |
| --- | --- | --- | --- |
| **Item** | **Cost (£)** | **Already Owned/Acquired****Yes/No** | **If Owned, Show Current Value (£)** |
| Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. | Click or tap here to enter text. |
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* 1. **Funding Requirements and Sources**

Detail below what funds will be required to start the business.

Capital Expenditure £ Click or tap here to enter text.

Working Capital £ Click or tap here to enter text.

Total £ Click or tap here to enter text.

Explain where the funds will come from. Please provide details of any personal investment, private borrowings, bank borrowings, etc. If borrowing is required, state whether or not it has been secured and from whom.

Click or tap here to enter text.

* 1. **Personal Survival budget**

|  |  |
| --- | --- |
| **Item** | **Annual Expenditure (£)** |
| Mortgage/Rent | Click or tap here to enter text. |
| Gas/Electric | Click or tap here to enter text. |
| Water Rates | Click or tap here to enter text. |
| Council Tax | Click or tap here to enter text. |
| Personal Insurance & Property Insurance | Click or tap here to enter text. |
| Food | Click or tap here to enter text. |
| Toiletries/Household Items | Click or tap here to enter text. |
| Household Repairs | Click or tap here to enter text. |
| Telephone inc Mobile | Click or tap here to enter text. |
| Car – Tax & Insurance | Click or tap here to enter text. |
| Car – Servicing and Repair | Click or tap here to enter text. |
| Car - Fuel | Click or tap here to enter text. |
| Travelling | Click or tap here to enter text. |
| Clothing | Click or tap here to enter text. |
| Medical (dentist, optician, etc) | Click or tap here to enter text. |
| Subscriptions, Membership Fees | Click or tap here to enter text. |
| Pets inc insurance | Click or tap here to enter text. |
| Entertainment | Click or tap here to enter text. |
| Hire Purchase | Click or tap here to enter text. |
| Loans | Click or tap here to enter text. |
| Credit cards | Click or tap here to enter text. |
| Store Cards | Click or tap here to enter text. |
| Sundries | Click or tap here to enter text. |
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| Click or tap here to enter text. | Click or tap here to enter text. |
| Click or tap here to enter text. | Click or tap here to enter text. |
| **Total Expenditure** | Click or tap here to enter text. |

* 1. **Break-Even Sales**

Your break-even sales is the forecasted level of sales you need to achieve to sustain your business, (i.e. where your income equals your expenditure). Calculate this using the following equation:

**Annual Overheads (£) ÷Gross Profit margin (%) = Annual Break-Even Sales (£)**

The following example demonstrates how to calculate annual break-even sales:

If annual overheads are £30,000 and gross profit margin is 60%, annual break-even sales = £30,000 ÷ 0.6 = £50,000.

Your gross profit margin (%) can be calculated using the following equation:

**Gross Profit Margin (%) = Annual Gross Profit (£) ÷ Annual Sales (£) x 100**

Once you have prepared your Profit and Loss Forecast (section 9.5) you will be able to identify your annual sales (£), annual gross profit (£) and annual overheads (£) figures.

Click or tap here to enter text.

* 1. **Financial Forecasts**

Profit and Loss Forecast

Provide forecast for 1 – 3 years as appropriate.

Click or tap here to enter text.

Cash Flow Forecast

Provide forecast for 1 – 3 years as appropriate

Click or tap here to enter text.

Forecasting Assumptions

Provide a list of any assumptions you have made to arrive at your forecasted figures

Click or tap here to enter text.

1. **Appendices**

Use the Appendices section for supporting documents that the reader may wish to refer to, but may be too detailed for the main text of the business plan, (e.g. CVs, price lists and literature, costing and pricing calculations, market research results, competitor and market price analysis, legal documents/terms and conditions, evidence of orders already received, etc).

Your Profit and Loss Projection and Cash Flow Forecast can also form part of your appendices, if preferred.

Click or tap here to enter text.