

Sample Business Plan Template

Business name and address:

Proprietor's name and address:

Business form: [Sole trader/partnership/limited company]

Business activity:

[Enter here a description of the business, including product/service details. Obviously this is the core around which the plan revolves. It should describe it as thoroughly as possible, but can be supplemented with samples, photographs and so on. It should also give details of any intended future product/service developments.]

Aims:

[Aims for the business and the owner-manager should go here. For example, the aim might be to provide secure employment and an adequate income for the owner-manager and their spouse. The aims are broader than the objectives.]

Objectives:

[The objectives are the specific targets. For example, the objective might be to achieve sales of \$150 000 in the first year and a gross profit margin of 40 per cent.]

Market size and growth:

[Market research information can go here. Try to estimate the size of the market the business is aiming for (either locally or nationally) and the share it hopes to capture, the growth in the last few years and any other characteristics. For example, it could be that there are many small competitors without the competitive advantage you have. A good product/service will sell only if a market for it exists or can be created.]

Competitors:

Names

Strengths

Weaknesses

[List major competitors together with their strengths and weaknesses. For example, there may be a major national competitor but they cannot deliver the personal service this firm offers. The aim is then to develop these advantages but also to counter any advantages competitors might have.]

Your business:

Strengths

Weaknesses

[In listing the strengths and weaknesses, the aim is to build on the strengths, particularly when they generate a competitive advantage. Weaknesses will need to be addressed in the marketing plan.]

Competitive advantages:

[Competitive advantage should come from the business strengths and weaknesses. This section also needs to address how the advantage will be maintained. For example, is there a patent or copyrights? Remember that if a new idea proves successful others will copy it.]

Proposed customers:

[This should describe the customers the business intends to sell to, if possible, naming names. For example, the business might intend selling to farmers in a particular geographic area. Try to quantify the number of customers.]

Marketing strategy:

[Describe the marketing strategy making certain to cover all elements of the marketing mix.]

- Product

(Explain the product/service in terms of benefits to the customer.)

- People

(Describe the service, advice or support that will enhance the product offering.)

- Price

(Explain what the pricing policy is and why. Does the firm intend to be cheapest, most expensive or just take the 'going rate'. If relevant, it might describe how the price for a customer is arrived at.)

-Promotion

(Describe how the business will communicate with the proposed customers. For example, by telephone or mail shot. Will it be advertising? If so what form might it take (for example, notice-board, newspapers, radio and so on).)

- Place

(Describe size, location and any other special characteristics) the type of premises the business will operate from – private house, shop, workshop and so on. Note should be made of planning permissions required and cost – lease, rent or purchase.)

Equipment:

[Any special equipment needed should be described here together with cost and proposed method of acquisition – lease, hire or purchase. Will more equipment be needed in the future?]

Key people and job functions:

[Key people, including the owner-manager, and their roles and responsibilities should be described here.]

Background details of key people:

[The background of the key people should be described here – qualifications, training, previous industry experience and personal strengths and weaknesses. If the plan is used to obtain finance, the owner-manager may need to give fuller background details. This helps establish credibility.]

Financial highlights

12 months to:

Turnover:

[This section summarizes information from the profit and loss account.

Sales is the value of goods or services estimated to be sold in the year. It represents the value invoiced to customers and NOT the amount of cash received.]

Profit:

[Net profit (or loss) represents the difference between sales and direct variables and fixed costs. Out of this a sole trader would take drawings. On the other hand, the owner-manager of a limited company will pay themselves a wage or salary (shown in costs) but if they want to take more out of the business they might decide to do so by way of dividends.]

Break-even:

[The break-even calculation should be shown here. This is a measure of the operating risk facing the business. It should be as low as possible.]

Funding requirement:

[This should disclose any funding required and the months it is required, taken from the cash flow forecast. Remember, always to add something as a contingency against the plan going wrong. It should also describe where these funds are expected to come from.]

Source of funds:

[Here indicate the expect source and nature of funding (for example, overdraft for 8 months).]

Forecast profit and loss account

Business:

Period:

Sales: S (A)

Less direct (variable costs):

Materials \$

Direct wages \$

Other \$

Total direct (variable) costs: \$ _____

Gross profit/contribution: \$ _____ (B)

Fixed costs (overheads):

Wages/salaries (including taxes) \$

Rent \$

Heat/light/power \$

Advertising \$

Insurance \$

Transport/travel \$

Telephone	\$
Stationery/postage	\$
Repairs/renewals	\$
Depreciation	\$
Local taxes	\$
Other _____	\$
Other _____	\$

Total fixed costs	\$ _____	(C)
Net profit	\$ _____	
Less drawings or dividends	\$ _____	
Profit retained in the business	\$ _____	

Break-even point = $\frac{(C) \times (A)}{(B)}$

Cash flow forecast

Month:														
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SALES

Volume:														
Value:														

RECEIPTS

Sales – cash														
Sales – debtors														
Capital introduced														
Grants, loans, etc														
Total (A)														

PAYMENTS

Materials														
Wages/salaries														
Rent														
Heat/light/power														
Advertising														
Insurance														
Transport/travel														
Telephone														

Stationery/postage													
Repairs/renewals													
Local taxes													
Other _____													
Other _____													
Capital purchases													
Loan repayments													
Drawings/dividends													
Total (B)													

CASH BALANCES

Cash flow (A) – (B)													
Opening balance													
Closing balance													

Source: Burns, P. (2011). *Entrepreneurship and Small Business: Start-up, Growth, and Maturity*. New York: Palgrave Macmillan.
