

Business Plan Format

The format is just as important as the content when writing your business plan. Always bear in mind that the person reading your plan may be a busy bank manager or investor. If the plan is poorly presented or badly laid out and they find it difficult to assimilate the information, you will lose your credibility and they will quickly lose interest.

Here are the main requirements for the style and presentation:

Cover Page

Include the company name, logo, plan period, document date and, if necessary, a confidentiality clause. This gives a professional 'feel' to the document to start with.

Contents Page

Always include a contents page so the reader can see all the headings at a glance.

Executive Summary/Mission Statement/Vision/Objectives

Arguably the most important part of the plan. This should summarise the key points of the plan and although placed at the beginning it is not completed until last. Essential for time-pressed investors. They will read it first - if they like it they will read on, if not, they will probably go no further.

Introduction Section

Giving background details of how the business started, what the business does or will do, and trading activities to date if applicable. A SWOT analysis could also be included here.

Business Objectives

The broad aims of the business and the owner, stated under:

- Short-term objectives (first 12 months)
- Medium-term objectives (1 – 3 years)
- Long-term objectives (5 years time)

Marketing Section

- Market Analysis. Details of Market Research carried out and any test marketing done. Analysis of own customer base and competitive activity. Market size and trends.
- Marketing Strategy. Explain the product or service to be provided, what is special or different about it and how it will be sold or distributed.
- Marketing Plan. Explain how the product or service provided by the business will be advertised and details of any planned promotional activity including costs.

Personnel Section

Giving an overview of who will run the business, their capabilities, background, experience and achievements in related fields. Explain roles of key personnel, any skills or training requirements and what are the personnel policies and procedures.

Operations Section

Explain the operational processes involved. What items will be needed and how much will they cost? Will funding be required for these? Give details of the premises planned - size, location, tenure, cost, rent review etc. Explain how quality control, stock control and health & safety issues will be dealt with.

Finance Section

Write a brief resume of the key aspects of the financial projections, including sales, overhead and capital expenditure, and describe how the assumptions have been arrived at. Specify finance needed and where it will be obtained.

Risk Assessment

It is unlikely that any business plan is without risk. Confront any possible problems or potential threats (for each section if necessary) and show how it is proposed to deal with these.

Appendices

- Attach financial projections. To include Sales Forecasts, Profit & Loss and Cash Flow forecasts for 3 years (the first 12 months must be on a monthly basis – Years 2 & 3 may be acceptable quarterly). A Balance Sheet may be required for larger businesses or investments.
- Attach any detailed technical specifications, brochures, drawings or photos of products.
- Attach CVs of owner and key personnel
- Attach any relevant information about the premises – estate agents details, photos etc.

Page presentation

Head up each page with the company name and put page number at the bottom. Don't cram the page with lengthy paragraphs. Use headings and bullet points, so the reader can pick up the essentials easily. Any supporting details should be attached in the Appendices.

Sections

Start each section on a new page.

Terminology & Writing Style

Do not try to impress with industry jargon or technical terms that the reader may not understand. Write in layman's terms, in the third person and avoid any personal viewpoints. Make sure the spelling is correct and grammar accurate.

Financial Spreadsheets

It is crucial that these are easy to read. Present them so that the essential information for each year fits on to an A4 page. Supporting information should be shown on separate pages. Include all these in the Appendices.

Appendices

As well as the financial figures, you can include any items of detail here – CVs, photos, drawings etc. This makes it easier to read the main body of the document without getting sidetracked.