

Baranov
ASSOCIATES

Your Business Plan



Your Business Plan



Why have a Business Plan?

If you need finance, any source will require details of your business, and of how you anticipate it developing, to see how much of a risk lending to you will be. Even if you don't need finance, having a Business Plan which you update or review regularly will increase the likelihood that you have given due consideration to all aspects of setting up a new business. Think of it as a road map, to record how you are planning to get from A to B.

Remember that you can get help with any aspect of a Business Plan from us, so please do get in touch if it would help.

There's a lot to consider when starting a new business, but the most important thing is to pull together a network of advisors that you trust to give you the support you will need.

Good luck!

Need help?

If you have any questions or need a hand filling out this business plan template, **just ask!** To make an appointment, **call 01582 809320; we're here to help!**

PERSONAL DETAILS...

TITLE

Mr Mrs Miss Ms Other

SURNAME

FIRST NAME(S)

ADDRESS

POSTCODE

NATIONALITY

COUNTRY OF RESIDENCY

DATE OF BIRTH

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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HOME TELEPHONE

WORK TELEPHONE

MOBILE TELEPHONE

EMAIL ADDRESS

EDUCATION (eg. qualifications, university degree)

RELEVANT WORK EXPERIENCE

TRAINING (list any relevant courses that you've been on or plan to take in the near future)

BUSINESS DETAILS...

WHAT IS YOUR BUSINESS GOING TO DO?

WHAT RESOURCES, EXPERTISE AND EQUIPMENT WILL YOU NEED TO GET IT STARTED?

WHAT IS YOUR BUSINESS GOING TO BE CALLED?

For a limited company, check the name isn't in use on the Companies House website (www.companieshouse.gov.uk)

BUSINESS TYPE

Sole Trader Partnership Limited Company Franchise

DATE YOUR BUSINESS STARTED, OR

DATE YOUR BUSINESS WILL START

KNOWING YOUR BUSINESS...

PLANNING

What do you want to get out of owning your own business? It's important to set yourself short and long-term goals, like whether you want to become a market leader or make a certain amount of money, right from the start. Make sure that these are congruent you're your own and your families personal goals, or you are likely to struggle. Outline your goals in the spaces below.

MY SHORT-TERM BUSINESS GOALS ARE:

KNOWING YOUR BUSINESS CONTINUED...

MY SHORT-TERM FINANCIAL GOALS ARE:

[Empty box for short-term financial goals]

MY LONG-TERM BUSINESS GOALS ARE:

[Empty box for long-term business goals]

MY LONG-TERM FINANCIAL GOALS ARE:

[Empty box for long-term financial goals]

THIS IS WHAT I WANT TO ACHIEVE OVER THE NEXT FEW YEARS:

YEAR 1

[Empty box for Year 1 goals]

YEAR 2

[Empty box for Year 2 goals]

YEAR 3

[Empty box for Year 3 goals]

KNOWING YOUR PRODUCT OR BUSINESS...

CONSIDER YOUR PRODUCT OR SERVICE AND HOW YOU CAN MAKE IT STAND OUT FROM THE COMPETITION.

THE UNIQUE SELLING PROPOSITION OF MY PRODUCT/SERVICE IS:

PRICING

It'll pay (in more ways than one) to get your prices right. They'll need to do more than just cover your costs if your business is going to grow – they need to make you a profit. Keep an eye on what your competitors are charging and what your customers are willing to pay so you don't undersell your product or service.

Answer the questions below to quickly check whether your prices will be enough to make you money.

(a) Price per hour / per day / per item* that I'm going to charge

(b) Direct costs per hour / per day / per item* excluding overheads are

(c) Gross profit – per hour / per day / per item* is (a) - (b)

(d) Gross profit margin (c) / (a) x 100 = (sometimes called 'mark-up')

(e) Overhead costs estimate for the whole first year of trading

Based on your pricing, the minimum amount you'll have to sell in the first year to make a profit = (e) / (d) %

Check whether the minimum you need to sell in a year looks realistic. If it doesn't, take another look at your pricing or, if you need to, review the costs involved in running your business. (This is an important area to get right, so spend time here to make sure you are going to be happy with the return on the time you spend in your business!)

*Delete as necessary

KNOWING YOUR MARKET...

Your market is your area of business, like catering or building, as well as the people that make up your customers. You need to understand how your market behaves and what your customers want. To answer the following questions, you'll need to do some research. Your answers will help you to figure out whether you can realistically earn enough money from your business to live on.

1. PRICE PER HOUR / PER DAY / PER ITEM* THAT I'M GOING TO CHARGE

2. MY MARKET IS CURRENTLY IN DECLINE / UNDERGOING GROWTH (delete as necessary)
Why is this? Have there been any legislation changes? Are you aware of anything that might impact on it in the future?

3. I WOULD SAY THE DEMAND FOR MY PRODUCT IS A ONE-OFF PURCHASE / REPEAT PURCHASE (delete as necessary)

If the former, how are you going to maintain sales?

CUSTOMERS...

It's important to have a clear picture of who your ideal customers are – what are they like and what are they buying. You should remember that your customers are probably price-sensitive too, though that may not be the case for very service or product so be careful of making assumptions. They'll want a competitive price that's fair for what they're receiving, but if you can offer an enhanced service or product over your competitors, your customers are likely to accept higher charges. Your answers will help you to target your product / service more effectively towards your target customer.

MY TYPICAL CUSTOMER PROFILE:

Age Sex Income Bracket

1. THEIR NEEDS ARE:

2. HOW WOULD MY TYPICAL CUSTOMERS TEND TO BUY PRODUCTS AND SERVICES?

3. CUSTOMERS WILL USE MY PRODUCT / SERVICE FOR:

4. WHAT THEY VALUE MOST ABOUT MY PRODUCT / SERVICE IS:

CUSTOMERS CONTINUED...

5. WHAT THESE CUSTOMERS WOULD VALUE (BUT DON'T REALLY GET FROM EXISTING BUSINESSES) IS:

6. I COULD DELIVER THIS BY:

7. THEY WILL BUY MY PRODUCT / SERVICE THROUGH THE INTERNET / AT MY SHOP / OVER THE PHONE / OTHER:

8. BUYING MY PRODUCT / SERVICE WILL BE A ONE-OFF PURCHASE / REPEAT PURCHASE:

9. THE AFTER-SALES SERVICE THEY EXPECT FROM ME IS:

10. THEY WOULD CHOOSE MY PRODUCT / SERVICE OVER MY COMPETITORS BECAUSE:

COMPETITORS...

It's important to understand what your competitors are offering so that you can make your product/service different or better than theirs. If it is different or better, you might attract more customers, and you might also be able to charge more. By filling out the following table, you'll have a clear picture of just how well your business measures up.

COMPARING YOUR COMPETITORS:

	MY BUSINESS	COMPETITOR A	COMPETITOR B	COMPETITOR C
Product / Service				
Price				
Availability				
Reputation				
Delivery				
Location				
Special Offers				
After-Sales Service				
Strengths				
Weaknesses				
Unique Selling Proposition				
Promotion / Sales				

COMPETITORS CONTINUED...

MY PRODUCT / SERVICE IS BETTER THAN EACH OF MY COMPETITOR'S BECAUSE:

COMPETITOR A

COMPETITOR B

COMPETITOR C

LOCATION...

Think carefully about your business location. Will you work from home to save money? If not, how are you going to pay for your premises? What insurance will you need to take out? What other considerations are there in making the decision and what other costs may you incur?

THE LOCATION OF MY BUSINESS WILL BE:

ADVANTAGES / DISADVANTAGES OF THIS LOCATION ARE:

I'M GOING TO RENT / LEASE / BUY MY BUSINESS PREMISES (delete as necessary)

OTHER MUST-HAVES WILL BE: (eg storage space, loading bay, customer parking, etc)

PROMOTION...

Being able to market and sell your product / service cost-effectively is one of the most important aspects of running a business. Promoting your business tells potential customers that you exist and entices them to buy more.

Once you've settled on a marketing budget for your business, figure out which methods will be best for your business and write them down below.

	TYPE OF ADVERTISING / PROMOTION	SUCCESS TO BE MEASURED BY	METHOD USED BY COMPETITORS	BUDGET
METHOD 1				£
METHOD 2				£
METHOD 3				£
METHOD 4				£
METHOD 5				£
METHOD 6				£

FINANCE...

Having a good understanding of the financial side of your business right from the start will increase your chances of success. Remember, we are always happy to help, or help may be available from other sources, including your bank manager.

PROFIT AND LOSS FORECAST

I have completed a profit and loss forecast to check that business will make a profit:

Yes No

CASH FLOW FORECAST

I have completed a cash flow forecast to check that can meet its day-to-day costs:

Yes No

Sales projections - the amount I think I'll sell is based on these assumptions:

INITIAL SALES ORDERS - THE ORDERS I ALREADY HAVE IN PLACE ARE:

ORDER 1	Details:	Value	£
ORDER 2	Details:	Value	£
ORDER 3	Details:	Value	£

PURCHASE ARRANGEMENTS- I'VE NEGOTIATED CREDIT TERMS FROM THE FOLLOWING SUPPLIERS:

ORDER 1	Details:	Value	£
ORDER 2	Details:	Value	£
ORDER 3	Details:	Value	£

FIXED COSTS - the average monthly costs I always have to pay to keep my business (eg rent, heating, etc) are:

 per month

VARIABLE COSTS - the average monthly costs of running my business that are irregular and might change (eg advertising, stationery, etc) are:

 per month

FINANCE CONTINUED...

CURRENT BUSINESS ASSETS - MY CURRENT BUSINESS ASSETS ARE:

(eg vehicles, equipment, machinery, etc)

ASSET 1	Details:	Value	£
ASSET 2	Details:	Value	£
ASSET 3	Details:	Value	£

FUTURE BUSINESS ASSETS - I THINK I'LL NEED THE FOLLOWING ASSETS WHEN I START MY BUSINESS AND IN ITS FIRST YEAR:

ASSET 1	Details:	Value	£
ASSET 2	Details:	Value	£
ASSET 3	Details:	Value	£

FUNDING YOUR BUSINESS - I'LL FINANCE THAT START-UP OF MY BUSINESS THROUGH THE FOLLOWING:

ASSET 1	Details:	Value	£
ASSET 2	Details:	Value	£
ASSET 3	Details:	Value	£

CALCULATING MY BREAKEVEN POINT...

The table below will help you to calculate when the amount you sell matches what you spend, your 'breakeven point'.

PERSONAL DRAWINGS	£
SALARIES / WAGES	£
NATIONAL INSURANCE	£
TAX	£
STATIONERY / POSTAGE / PRINTING	£
MANAGEMENT SERVICES PAYABLE TO FRANCHISOR (if applicable)	£
ADVERTISING	£
TELEPHONE	£
RENT / RATES / WATER	£
HEATING AND LIGHTING	£
VEHICLE DEPRECIATION	£
PETROL	£
SERVICING	£
ROAD FUND TAX	£
INSURANCE	£
BUSINESS INSURANCE	£
BAD DEBTS	£
BANK CHARGES	£
ACCOUNTANT'S FEES	£
DIRECT / VARIABLE COSTS eg raw materials	£
MY BREAKEVEN POINT IS HOW MUCH I NEED TO SELL TO COVER THE TOTAL OF ALL THE COSTS LISTED ABOVE	£

CALCULATING MY BREAKEVEN POINT CONTINUED...

I INTEND TO KEEP MY BOOKS UP TO DATE MYSELF / WITH THE HELP OF A BOOK-KEEPER / ACCOUNTANT:

IF YOU'RE KEEPING YOUR BOOKS UP TO DATE YOURSELF, WHAT BOOK-KEEPING PACKAGE WILL YOU USE?: (remember we can help you identify the best option for your business if you're unsure.)

IF A BOOK-KEEPER WILL MANAGE YOUR BOOKS, CHECK THEIR EXPERIENCE AND CERTIFICATIONS, AND NOTE THEIR NAME, ADDRESS AND TELEPHONE NUMBER:

Baranov

ASSOCIATES

Business growth accountants

...making The Dream a reality

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Disclaimer: This list is meant to prompt careful review of your existing arrangements only and is not designed to be a replacement for professional advice tailored to your precise needs and circumstances.

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