

BUSINESS PLAN

For

Name:

Address:

Date:

Executive Summary

- *Last part to write!*
- *Brief / Concise / Relevant*
- *Tailor to audience*
- *Key messages / paragraphs*
 - *Introduction / Description*
 - *Benefits*
 - *Market Research*
 - *Key Financials*
 - *Conclusion*
- *Oomph*
- *Keep to ½ to 1 page maximum*

Business Details

Name: _____

Business Name: _____

Address: _____

Phone No: _____

Fax No: _____

Email Address: _____

Product/ Service Range

Product/ Service	Description	Price
A	_____	_____
B	_____	_____
C	_____	_____
D	_____	_____
E	_____	_____

Break up your idea as much as possible into different products / services.

Be as descriptive as possible. Example –

- *Tourism – Self Catering*

Versus

- *Tourism Accommodation – construct 4 star Bord Failte Approved cottage on our 40 acre Beef farm with spectacular views of countryside.*
- *Price – If no definite price or if price varies then show range minimum to maximum*

Entrepreneur Assessment

Education

In the table below describe your education history after primary school.

Include any courses you are attending at the moment.

Year(s)	School/ College	Level/ Qualification Received

Practical Experience

In the table below, detail your working history and experience

Year(s)	Organisation	Position & Responsibilities

Describe other significant work/ life experiences that could be useful for your business

State everything that is relevant e.g. Manage and developed our 40 acre farm very efficiently/ do applications for grants /do farm accounts /I do all selling and buying of stock/ have won prizes for quality at mart/ Mary bakes and sells the produce to the local shop. She also puts her skills to use by helping with local catering for events like retirement parties, celebrations.

I have a part- time job in local factory.

Both involved in parish council/I am secretary to local IFA branch, Mary organises the lotto draw weekly to raise funds for an extension to local hall for youth

Motivation Objectives and Goals

Why do you want to start a business?

Be open and honest e.g.

Local facilities available for tourists such as--- name them.

Better quality of life

Would have a valuable asset created

Like people

Have skills and potential to expand business

Freedom to manage own business

What do you want to achieve with your business (which goals do you want to pursue and what size do you want to attain)?

- *Be specific and break them down– use detail from overall plan.*
- *e.g. Have a successful self catering business*

VERSUS

- *Complete construction and fit out by end year 1.*
- *Achieve full occupancy of 16 weeks of tourist season in year 2 with a turnover of €6,000.*
- *Set Specific, Realistic Achievable Goals*

Personal Qualities

What specific qualities of yours will help in establishing and running a business?

Don't underestimate your qualities.

Example Good Management and organisational skills / Building skills

Make decisions based on facts and research

Like people and enjoy chatting to people/have catering skills

Own the site in beautiful location beside lake/river/N17/Sligo/Arigna museum

Open to advise and have talked to people in business and agencies RTA

Aware of the importance of quality

Aware that I have skills which could be used in the new venture but need training

What are your weak points in terms of business management?

Consider specific relevant weak points that you have for the venture. E.g.

Don't know a lot about the industry/regulations/approvals

Have no computer skills

No marketing skills/ no experience

Limited Finance

What are you going to do about your weak points?

State practical ways of overcoming your weaknesses.

E.g. Identify and list agencies that can help/ Enterprise Boards, Failte Ireland, Leader, R.T.A

Get training in industry and computer skills

Network with other successful people in the business

Get advise and adopt it

Engage expertise for some jobs e.g. marketing/web-site/accounts

Draw up a plan for the way forward and refer to it regularly

Marketing Strategy

Product/ Service Range & Pricing

Describe in detail the product/ services you want to launch

Be as descriptive as possible, describe what you will provide.

Is your price above or below what your customers are already paying for the product/ service? Detail your pricing strategy including any discount deals you will offer.

Market Research & Promotion

Describe your market, future developments and your potential customers (local, county, national and international)

Be specific. Who will your customers be? Where will they come from? Is there a particular age profile? Who uses this product service already? Where do they get it from?

Have you contacted future customers? If so, what was their reaction?

What image will your business present? Think about your business image in the following areas: Pricing, Name, Quality, Advertising, Website etc.

How will you advertise, e.g. business cards, press articles, word of mouth etc. Are there websites that you can get listed on locally free of charge? Do you need your own website?

Place

Explain your choice of location (with reference to potential customers & location of competition)

Where is the business located, what's the address, where is it near, e.g. distance from nearest town, location with regard to your customers. Estimate number of potential customers in vicinity, 10 -20-30-etc miles. Estimate number of competitors in the area.

What distribution channel have you chosen for your product/ service?

How will you get your product to market. How will you deliver same. How will customers access your service e.g. by courier? Will they be buying it on the Internet, Will they be ordering over the telephone? etc.

Personnel

Detail the staffing strategy for the first three years of your business

Who will run the business? What will their roles be? Will staff numbers be growing from year 1 to year 3? Will you be working part time, full time in the business?

How are you going to ensure that your staff uphold the image of the company?

Will they get training, will you train them or will they attend a course? How will you ensure customers are satisfied?

Promotion

How are you going to promote your new product/ service?

Will you use business cards, Internet etc. Telesales, Trade Fairs etc. What is special about your product? What are the benefits of your product? What's the best way to sell it?

Competitors

List your main competitors

- 1.**
- 2.**
- 3.**
- 4.**

What are your strong points compared to your direct competitors?

What are your weak points compared to your direct competitors?

Legal Requirements

What legal status will your business take? (sole trader/ partnership/ limited company)

What is the registered name of the business?

Have you got the correct planning permission to operate the business in a current or new premises?

Do you need any special qualifications or licences before starting up the business?

What types of legal status suits you? Sole Trader / Partnership / Limited Company

Do you need Planning permission?

Do you need a licence?

Insurance

Are you insured against the normal risks? (fire/ burglary/ public liability/ employers liability)

Detail your monthly insurance costs?

Accounting & Taxation

Who will do your accounting?

Name: _____

Address: _____

Phone No: _____

Fax No: _____

Email Address: _____

Who will be responsible for the day-to-day book-keeping of the business?

(Issue invoices, Accounts payable, Accounts receivable, cash book etc.)

What procedures have/ will you put in place for this?

Think through how it will happen when you are up and trading, who will do what?

Don't learn the expensive way by making big mistakes!

Is your business VAT registered?

What are the main rates of VAT that apply to your business?

VAT

Don't assume you don't have to register.

Turnover exceeds €50,790 to supply goods

€25,395 to supply services one is obliged to register

Investment, Financing and Assistance

Personal Investment

What assets can you put into the business?

- Business & Working Assets € _____
- Car € _____
- Additional Private Mortgage € _____
- Savings € _____

TOTAL PERSONAL ASSETS €

Other Finance

Long Term Finance

- Mortgage on company building € _____
- Bank Loan € _____
- Leasing (machines, equipment etc.) € _____
- Other € _____

TOTAL LONG TERM FINANCE €

Short Term Finance

- Overdraft € _____
- Suppliers Credit € _____
- Finance Company € _____
- Bills to be paid € _____
- Taxes to be paid € _____
- Payments received in advance € _____
- Other € _____

TOTAL SHORT TERM FINANCE €

Detail any grants which your business will receive from both state and other agencies. (Employment grants/ capital grants/ leasing grants etc.)

Include only what's going into this business venture, e.g. site value, any savings or borrowings.

Reducing Risks

Have you identified the main risks, especially the financial risks involved in setting up your business?

How to you propose to minimise these risks?

*Whats the worst case scenario, what can go wrong. What can you do to avoid.
e.g. Illness or Injury – Ensure Health and Safety guidelines are followed. Take out appropriate insurance. etc*

Competition undercuts dramatically

Market Research is incorrect.

Closure of other business which may affect yours.

Operating Budget

Estimate of Sales & Gross Profit

Include copies of this page for more than two products

<u>Product Name:</u>				
<u>Sales</u>		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
No. of Units sold				
X Price per unit				
= Total Sales (A)				
Less Cost of Sales				
Opening Stock Value				
+ Material Purchases				
(No. of Units X material price/ unit)				
- Closing Stock Value				
= Cost of Sales (B)				
Gross Profit (A-B) (C)				

<u>Product Name:</u>				
<u>Sales</u>		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
No. of Units sold				
X Price per unit				
= Total Sales (A)				
Less Cost of Sales				
Opening Stock Value				
+ Material Purchases				
(No. of Units X material price/ unit)				
- Closing Stock Value				
= Cost of Sales (B)				
Gross Profit (A-B) (C)				

Total Overheads

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
<u>Staff Costs</u>			
Gross Staff Salaries			
Employers PRSI			
Staff Bonuses			
Staff Training Costs			
Other Staff Costs			
Total Staff Costs (D)			
<u>Production Overheads</u>			
Heat, Light & Power			
Rent/ Lease of equipment			
Insurance of Equipment			
Other Costs			
Total Production Costs (E)			
<u>Premises Costs</u>			
Premises Rent			
Heat, Light & Power			
Insurance of premises			
Cleaning			
Maintenance			
Total Premises Costs (F)			
<u>Transport Costs</u>			
Repairs & Maintenance			
Vehicle Leases			
Fuel			
Motor Insurance			
Road Tax			
Deduct Private Use			
Total Transport Costs (G)			

Total Overheads (Contd.)

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
<u>Sales & Promotion Costs</u>			
Advertising			
Packaging			
Trade Fairs			
Other Promotion Costs			
Total Sales & Promotion (H)			
<u>General Expenses</u>			
Telephone			
Postage			
Stationery			
Office Expenses			
Accountancy Fees			
Legal & Other Fees			
Other Costs			
Total General Expenses (I)			
<u>Finance Costs</u>			
Interest on Loans & OD			
Bank Charges/ Fees			
Other Finance Costs			
Total Finance Costs (J)			
<u>Depreciation</u>			
Property (2%)			
Fixtures & Fittings (10%)			
Motor Vehicles (20%)			
Machinery & Equip. (20%)			
Other			
Total Depreciation (K)			

Operating Budget

		<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Sales	(A)			
Cost of Sales	(B)			
Gross Profit (A-B)	(C)			
Overheads				
Staff	(D)			
Production	(E)			
Premises	(F)			
Transport	(G)			
Selling & Promotion	(H)			
General Expenses	(I)			
Finance	(J)			
Depreciation	(K)			
Total Overheads	(L)			
Net Profit/ (Loss)				
(C-L)	(M)			
Tax on Profit/Loss	(N)			
Drawings	(O)			
Profit Retained in Business				
[M – (N + O)]				

Cash Flow Budget

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Opening Bank Balance			
<i>Incoming</i>			
Loans			
Cash Sales			
Debtors			
VAT Refunds			
Other Income			
<i>Total Income</i>			
<i>Expenditure</i>			
Cash Purchases			
Creditors			
Staff Expenses			
Production Expenses			
Premises Expenses			
Transport Expenses			
Promotion Expenses			
Finance Costs			
Loan Repayments			
Purchase of Fixed Assets			
VAT Payable			
Other Taxes			
Other Expenditure			
Private Drawings			
<i>Total Expenditure</i>			
Net Cash Flow			
Final Bank Balance			

Other Information