

Contents of a Business Plan

A well-prepared, attractive written business plan is an essential document in your business whether you are seeking debt or equity financing, to establish a prediction or forecast against which to compare actual performance, and to refine strategies and develop ideas on how the business should be improved. Although the business plan of any business must be tailored to the particular business and industry, the essential contents of a business plan should include the following.

COVER PAGE

The cover page should include the following:

- A. Company Name
- B. Contact Person
- C. Address and Phone Number
- D. Confidentiality and Nondisclosure Statement

TABLE OF CONTENTS AND TABLE OF APPENDICES

The table of contents and table of appendices should refer the reader to the sections and subsections of the business plan.

EXECUTIVE SUMMARY

The executive summary is the first part of the business plan to be read by potential lenders and investors, although it is usually the last section to be written. The executive summary is often the *only* part of the business plan that gets read by busy financiers or investors. Accordingly, you should take the time necessary to prepare a dynamic executive summary that describes the business, identifies the stage of the company and its strategic direction, describes the company's market and marketing plan, briefly discusses the background of management, and states the company's revenue and profit expectations.

You only get one chance to make a good first impression!

BODY OF BUSINESS PLAN

The body of the business plan should include details of the following:

1. Background and Purpose

- A. History - a brief overview of the history of the company
- B. Vision, Mission and Values
- C. Current Status of Company
- D. The Product or Service Concept
- E. Business' Goals and Objectives

2. Market Analysis

- A. Overall Industry or Market
- B. Specific Market Segment
- C. Competition
- D. Sales Forecasts

3. Product or Service Development

- A. Research and Development
- B. Production Requirements and Process
- C. Proprietary Features and Protections Thereof
- D. Quality Assurance Measures
- E. Contingency Plans

4. Marketing

- A. Survey Results
- B. Marketing Strategy
- C. Contingency Plans

5. Financial Data

- A. Current Financial Position
- B. Accounts Payable
- C. Accounts Receivable
- D. Cost Control Measures
- E. Break-Even Analysis
- F. Financial Ratios
- G. Financial Projections

6. Organisation Structure and Management

- A. Key Personnel -- describe the qualifications and responsibilities of management.
- B. Other Personnel
- C. Directors
- D. Professional Advisors.
- E. Key Future Personnel
- F. Forecasted Labour Force or Organisation Chart

7. Ownership

- A. Business Legal Structure
- B. Current Capitalisation
- C. Forecasted Capitalisation
- D. Exit Strategy for investors
- E. Royalty or Licensing Arrangements

8. Risk Factors

Risks and risk management strategy in the following areas:

- A. Cost Overruns
- B. Failure to Meet Production Deadlines
- C. Problems with Labour, Suppliers, or Distributors
- D. Sales Projections not Met
- E. Unforeseen Industry Trends
- F. Competition
- G. Unforeseen Economic, Social, or Political Developments
- H. Technological Developments
- I. Inadequate Capital
- J. Business Cycles
- K. Other Risks

9. Conclusion

- A. Summary
- B. Timetable for Funding and Future Developments

APPENDICES

Include here details of what has been discussed (for example detailed profit and loss forecast) as well as any other details not dealt with in the body eg photographs of major products, list of awards, etc.