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# Guide to Business Planning

## GHG Savings Fund training

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# What should a business plan cover

- An executive summary - this is an overview of the business
- A short description of the business opportunity - what they plan to sell or offer and the unique selling points of their proposition (why this is needed)
- Marketing/sales strategy – a description of the market for this product or services, market research and how the company will attract the attention of and sell to this market
- The management team and personnel - their credentials, the people they plan to recruit and the organisation structure
- Operations to deliver the plan - premises, production facilities and IT systems/infrastructure
- Financial forecasts – these include profit and loss, balance sheet and cash-flow forecasts summarising the financial impact of the business plan together with assumptions – covering 3 years minimum

# Marketing/sales strategy

- the market - its size, historical data about its development and key current issues
- the target customer base - who they are and why they would be interested in this product or service
- the competition - who they are, how they work and the share of the market they hold
- the future - anticipated changes in the market and how the business and its competitors to react to them

# The management team and personnel

- Need to understand who is management and undertaking key tasks within the business.
- Skills and experience, a brief CV would be useful.
- Show a balance of operational/sector experience, management, sales/marketing, financial and administration skills



# Operations to the deliver the plan

- Outline the operational capabilities and what the investment will be funding
- Where the company will be located, are the premises suitable.
- Are any special permits or licences to operate at the site chosen ?
- Are there sufficient sources or raw materials in order to produce products
- Clearly thought out processes for production, stock control, accounting, customer management, financial control and quality control?

# Financial projections



- The financial forecasts should provide a:
  - Profit and loss forecast covering at least 3 years
  - Balance Sheet
  - Cash-flow forecast
- Key assumptions should be listed e.g.
  - the volume of sales,
  - cost of production,
  - number of staff to be employed.
  - timing and value investment required
- Key risks associated with the project

