



Students Acquiring Skills - just do it!

**Leeds Enterprise
Advisory Programme**
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Business Planning Template

Use this template to draft your business plan. This should be prepared and agreed by the Company Board and then presented to your Enterprise Teacher and Business Mentor, then submitted to LEAP by November 15th 2008. This will form part of the evidence for the Competition "Best Administered Company" and it will also act as your guide while starting the company. If you do not decide on a destination then you have no chance of getting there.

1. Do you have a Company Name and logo?
2. How many people are involved and what are their positions?
3. How have you raised capital for stock etc? [Share sales are the preferred method]
4. What product(s) or service are you planning to offer?
5. Have you done your Market research on customers, competitors and pricing?
6. Have you sourced a supplier for parts or goods?
7. Have you made a prototype?
8. Have you sold any products yet?
9. What advertising are you planning?
10. What sales opportunities have you got planned? Make sure your ready for the Christmas Trade Fairs.
11. What turnover and profit do you forecast by the LEAP finals in March?
12. Have you planned to enter the Competitions?

Business Planning

1. Where are we now?

A simple statement of 'where we are' i.e.: -

- How many people are involved
- How much money we already have
- What amount of preparation / planning we have done already
- What we want to do (start our own business)

2. Where do we want to be?

Again keep it simple... you need a clear vision of 'where you want to be/what you want to achieve'. The clearer and simpler the 'vision' or 'goal' the more likely you are to get there.

Examples:

- Make gold jewellery accessible to everyone
- Sell more sportswear than Nike
- Revive the music scene in Leeds

3. How are we going to get there? (Our Business Plan)

A. Define what your business will do (business activity)

- What it will make, sell or what service it will provide?
- Who will it provide with these goods or services?

B. Define the current state of your business

- Have you started trading?
- Do you have anything you need to start trading?
i.e. do you have any money or premises or goods or the people needed to work in the business?

(It's the 'simple things' defined under (1) "Where are we now?" above.)

C. Define your market. (Research)

- Do you have competitors?
- How many?

- How much of the potential business out there do your competitors have already?
- How much is left for you?
- Is this a market that's driven by price? (Will you have to work to tight margins?)
- Who will buy your goods or services?
- Do they want your goods or services?

D. Define the financial position.

How much money will you need for

- Buying in stock or raw materials
- Paying wages (until money starts coming in from sales to cover this)
- Paying for advertising, promotions, marketing activity
- Buying any equipment you'll need for making your goods or to equip your offices or shop
- Buying expertise (accountants, solicitors, advisers etc.)
- Putting to one side to cover unexpected costs

How much money do you think you will need to raise to start your business?

How much do you already have?

E. How do you limit risks and make the best of opportunities?

Crucial to any good business plan - is planning for the unexpected. Risks can include - (and these are just examples, there are many more)

- Increased and unexpected costs for raw materials
- Key personnel becoming unavailable
- New competitors arriving to lure away your customers
- Your customers 'fancying a change' or changing their priorities
- Bad publicity

Just as 'threats' can steer your business off its path to success, so too can unexpected business opportunities such as: -

- New market places or more potential customers wanting your products than you can handle. (Hard to say no - but should you?)

- New ideas in the Company for new products or services you can provide to the same customers (or to new customers)

4. Writing and Presenting the Business Plan

Two purposes to a Business Plan:-

A. To use as a living, working document to help the owners or the Board to run the company. As a living working document - this Business Plan will change regularly, i.e. your statement (your vision / goal) may not change too often - but your financial status, your client base and your resources may change on a regular basis. A good Business Plan changes 'just ahead' of the changes happening to a business, i.e. the business has planned for the change (it hasn't suddenly happened and the Plan is changed after the event.)

B. To obtain funding to start or keep a business going. In order to get funding either from a Bank or via a body giving Grants. The potential funder will need to see a Business Plan. One big piece of advice - if doing a Plan to get funding - write it 'from the reader's perspective', i.e. think about what they need to know about your business that'll help them say 'yes' rather than what you want to tell them about your business and your dreams etc. Write this plan to allow a potential funder to have faith in you and your Business.

That's it - A simple guide to Business Planning. For more advice ask your Enterprise Teacher or Advisor.

Remember to attend the Seminars put on by LEAP.

Look on the website for details www.leedsenterprise.co.uk