

2. How to Write a Business Plan

Turn your idea into a clear plan

A business plan explains what your business will do, who it will serve, how it will operate and how it expects to make money. It is a useful tool for you, your advisers and potential funders.

A good plan does not need to be complicated. It needs to be realistic, clear and supported by evidence.

What to include

Your business plan should cover:

- Your business vision.
- The products or services you will provide.
- Your target customers.
- Your market and competitors.
- Your pricing strategy.
- Your sales and marketing plans.
- Your team and responsibilities.
- Your suppliers and premises.
- Your start-up or growth costs.
- Your financial forecasts.
- Key risks and how you will manage them.
- Your funding requirement.

Explain your opportunity

Start by explaining why the business should exist. What need are you addressing? Why is now the right time? What experience, skills or relationships will help you succeed?

Avoid making unsupported claims. Use customer conversations, market research and realistic assumptions to demonstrate that you understand the opportunity.

Set measurable objectives

Your objectives should be specific and achievable. For example:

- Reach 50 regular customers within six months.
- Achieve monthly sales of £10,000 by the end of year one.
- Employ one part-time member of staff within 12 months.
- Reach break-even by a specific date.

Keep your forecasts realistic

Your financial forecast should show:

- Expected sales.
- Cost of sales.

- Operating expenses.
- Loan repayments.
- Cash in and cash out.
- Expected profit or loss.
- Your break-even point.

It is helpful to prepare best-case, expected and more cautious scenarios.

Quick checklist

- My plan clearly explains the business.
- I understand my customers and competitors.
- My pricing is realistic.
- I have identified the people and resources needed.
- My sales forecasts are evidence-based.
- I understand my monthly costs.
- I have included risks and mitigations.
- I know how much funding I need and why.

How CWRT can help

CWRT can help you structure your plans, understand your funding requirement and prepare a stronger finance application.

Visit the CWRT website to find out more about our finance and our support services, check out how we may be able to help and submit an enquiry.

Find out more and get support today: www.cwrt.uk.com or call 024 7655 1777