

## **Business Plan Template**

The following Business Plan Template has been designed by Prosperity Exchange to enable you to develop a Business Plan for your business and/or innovative idea. You may use this template as a guide to develop your own Business Plan by using the headings and information under each section.

Under each heading to be included in a Business Plan we have provided a summary of the type of information to be included. We encourage you to take your time when writing and to review every few days to make any changes. A Business Plan is an evolving process so don't expect it to be perfect first up, it will always be changing as your business grows and develops.

When developing your business plan you should include the following:

- Cover
- Table of Contents
- Executive Summary
- The Company
- Products & Services
- The Market/Industry Overview
- Marketing Plan
- Competitive Analysis/Market Advantage
- Business Operations
- Management Team
- Action Plan
- Financial Overview
- Amount and Use of Finance Required and Exit Strategies

### **Executive Summary**

The Executive Summary is one of the most important parts of your Business Plan as this is the first section most often read by potential investors and if it does not capture their interest then they may not be compelled to read the rest of the plan.

In the Executive Summary you should clearly and concisely address areas such as:

- Overview of the company
- Overview of the opportunity
- Brief summary of the market
- Brief description of the products and services
- Summary of the management expertise/background
- Unique selling proposition (what makes your business unique)

### **The Company**

This section should include details on the history of your business i.e. how you got to where you are now, why the business has developed the way it has.

You should also include information on the following:

- Company Structure – how is the company structured legally (you could use a diagram to explain the structure of the company)
- Intellectual Property – who owns the IP and how is it protected. Are there any patents pending?

### **Products & Services**

This section is used to describe your products & services and technology.

The areas you may want to cover include:

- How your products & services developed.
- Are your products & services currently available in the marketplace or are they still to be introduced? If not in the market what is the time frame for when they will be commercialised.
- What are the functions/features of your products & services.
- Have your products been tested/evaluated and if so, where, when and what were the results.
- Are there any new product developments planned? If yes, what is the development timeframe for these new products?

## **The Market/Industry Overview**

This section provides details on the market. It is important to describe the overall industry as well as the area of the market that you are targeting. Information for this section can be accessed through the Internet with the Australian Bureau of Statistics ([www.abs.gov.au](http://www.abs.gov.au)) providing statistical information on a wide range of Australian industries. It is also a good idea to quote in your Business Plan where you have obtained your information.

Areas to cover in this section include:

- Market/Industry size
- Growth rate
- Significant changes to the industry, market and any long/short term trends.

## **Marketing Plan**

The marketing section of your Business Plan needs to explain who your target market is and how you have planned to reach this market.

This section should cover the following areas:

- Sales/distribution strategy
- Pricing strategy
- Positioning
- Brand image awareness
- Advertising, public relations, media advertising, trade shows
- Website and e-commerce strategies
- Strategic alliances/partnerships

## **Competitive Analysis/Market Advantage**

In this section you need to explain your competitive advantage over your competitors. How are you going to gain market share? Why will customers come to your business rather than already existing companies? Who is the market leader and why are they in that position? What makes your business and products unique?

## **Business Operations**

In this section you need to explain how your business operates, what resources it requires and any research and development that has been done or is planned to be done in the future.

## **Management Team**

A good management team is critical to the success of any business and it is highly important that the skills of each person within the management team are aligned to the requirements of the company.

In this section you list the directors and key personnel of the company. Under each person give a detailed summary of their experience, background, expertise and skills.

If you have external advisors of consultants (especially in the areas of accounting, legal, management consultants, technology etc) it is also advisable to include their details as they usually have the expertise required to successfully build the business.

## **Action Plan**

The Action Plan section outlines the key tasks and activities that are to be done for the development of the business. It also sets the key milestones to be achieved and a projected time table for developing the business moving forward.

## **Financial Overview**

Sound financial management is one of the best ways for your business to remain profitable and solvent. How well you manage your business's finances is the foundation to every successful business.

In this section you should include a number of financial statements including:

- Profit & loss
- Cash flow analysis
- Balance sheet

### **Amount and Use of Finance Required and Exit Strategies**

This section outlines the amount and use of any capital required and identifies the sources of where the funding is being accessed i.e. bank loan, private equity, government funding, venture capital. If you are looking for an investor you also need to include in this section a section on the Investment Opportunity. This section would outline the details of the investment opportunity i.e. the price of the shares/the amount of investment you are looking for, the exit strategy for the investor and any other details of the offer.

### **Suggestions for a Better Business Plan**

There is more to writing a good Business Plan than just putting words on paper. Your Business Plan needs to be concise and clearly explain your business so that the reader can understand your business and its objectives. Below are some suggestions to keep in mind when writing your Business Plan:

- Use easy to understand, simple language
- Don't have long sentences, keep them short and simple
- Explain any technical terms or words
- Use bullet points wherever possible
- Use diagrams, tables and pictures
- Always quote where any sources of information comes from (make sure any sources are from reputable sources)
- Make sure that the flow from section to section works
- Ensure that all information is correct
- If information is repeated in your Business Plan make sure that it is always aligned with what has previously been written (it is a good idea to get your Business Plan proof read by another person)