



4B. Writing a business plan: Fillable Template

Common structure, content, and concepts V. 1.1, 4/26/22

Having a vision for a new or expanded business is important, but not enough. A written detailed plan helps you identify what steps may be needed to turn your vision into a reality. A formal written business plan is also critical when you want to ask others to lend you money or invest in your business. **The template below will walk you through the basic sections and questions you should address when writing your plan. Be sure to address only the sections and questions that pertain to your business.** Many different formats and outlines exist; if a potential lender or investor specifies a different approach or structure, use that guideline! This template is based on the utilization of Tip Sheets and Resource handouts that are provided by Community Loan Fund and available on our online training platform Edupreneur which can be accessed here: <https://mycommunityloanfund.org/online-learning-platform-edupreneur/>.

Before you start your business plan, we recommend you review these resources:

CLF Tip Sheet 2. Starting a business or nonprofit: Some important steps &

CLF Tip Sheet 5. Resources for Small Businesses and Nonprofits: Community, Government, Others.

If you require additional assistance putting together your plan or would like us to review your plan, please schedule an appointment using this link: <https://mycommunityloanfund.org/one-on-one-mentoring/>

FREQUENTLY ASKED QUESTIONS

Q: That is a lot of information! Do I really need to write all of this out?

A: Yes, write it all down. Summaries followed by fully detailed notes will demonstrate that you have a solid understanding of the business and the related risks, needs, and costs. Your single document can replace the notes you've written in post-its, notebooks, emails, etc. The process of getting ideas on paper will also help you think through the many aspects.

Q: If I did not yet start the business, how can I possibly calculate the expected income?

A: Show your reasoning! Identify and describe the factors that you think will affect income, create realistic estimates, and add notes to explain why you think your estimates are appropriate. For example, how much inventory will you have on hand in the beginning? What level and type of marketing will you do, when? What connections and contacts do you already have? How many people have expressed an interest in your business? What changes may be coming up in competition and/or potential customer demand (such as a store closing, a new apartment complex opening, or seasonal needs).

Q: I am not [a writer / a native speaker / good with numbers]. Can I get any help with writing the plan?

A: Absolutely! The Community Loan Fund has staff to help with training and technical assistance. You can call to arrange a private meeting for help. We also offer eight-week courses on how to start a business, and occasional workshops on specific topics. See the Training section of our website for details. We are here to help you succeed.

Q: What are some common mistakes that people make when writing a business plan?

A: The most common mistake for less experienced writers is not realizing that they have lots of knowledge that their reader may not know. Be sure to explain terms, abbreviations, equipment, and other information that may be specific to your industry. Another problem is being overly optimistic: think carefully when estimating income and costs and consider possibly "contingencies" (the what-ifs that may occur).

Q: What I really need is money, not paperwork! Can you help with that?

A: The Community Loan Fund does offer loans to qualified clients, often to people who might have difficulty getting a loan from a traditional bank. Once you have a business plan, the Training & Technical Assistance staff will refer you to a loan officer for help with the next steps. We are here to help you succeed.

Delete this page when you finish your business plan – the cover page should be the first page a reader sees when reviewing your plan.

COVER PAGE

Your cover page identifies the business plan as YOUR plan. It allows your plan to stand out from other business plans and provides a way for the reader to get back in touch with you.

Delete after reading

Cover page should include the following:

1. Title or your business name
 - a. For assistance with choosing a business name refer to **CLF Tip Sheet 10. Business Name Search Resources**
2. Your company name –
 - a. *if your legally formed company is different then the business name you are writing the plan for*
3. Logo for the business if you have one
4. Address for the business if you are currently operating
5. Your name and the names of any business partners
6. Contact information for the main person/organizer of the business
 - a. *Include phone number or email address - *** Double check all spelling****
 - b. *(This person will deal with questions and follow-up regarding the plan)*
7. The date (to be updated whenever you revise the plan).

Delete the text above after you have input all your information in

“EXECUTIVE SUMMARY”

Write this section last, but it should be placed after the cover page. This is the first thing a person should read for your plan. An executive summary is a broad overview that captures all the main points that are referenced in the rest of your plan. If this is all a busy person reads, they get the main idea of your business, your background, financial status plus projections, and future goals. For a funding proposal, explain how much money is requested, and how it will be used. **All info** in this summary should also be in the main sections of your business plan.

Aim for 1-2 pages at the most.

Delete the text above after you have written your Executive Summary!

“NARRATIVE”

YOUR IDEAS, DECISIONS, AND CREDIBILITY

The narrative section of the business plan contains all the written facts and strategies that you will utilize in your business. The purpose of the narrative is to put your ideas on paper and help the reader understand all the ins and outs of your business's operations. **Delete after reading**

Business Overview, status, and legal aspects –

Keep this heading- feel free to reword it if you would like

1. What type of business is it?
 - a. Non-profit/for-profit/cooperative/partnership/franchise etc...
 - b. Refer to **CLF Tip Sheet 3. Private business or not-for-profit: What's the difference?**
2. What product or service will you be providing?
3. Why did you pick it? Do you have a mission or vision statement for the business?
4. What do you know about this type of business?
5. What have you already done to start the business?
 - a. Do you have a business name?
 - b. Have you created the business structure (DBA—sole proprietor; LLC—partnership; corporation; 501(c)(3) tax-exempt corporation)?
 - c. Principle or main owners/partners in the business? What is the breakdown of legal ownership?
 - d. State and County where the business is or will be formed?
 - e. When was the business formed?
 - f. Have you applied for or received a federal Employer Identification Number (EIN) and/or State Sales Tax permit?
 - g. Are there any other permits that you need? If so, have you applied for or received those?
 - h. Are you already selling or offering services?
 - i. Refer to **CLF Tip Sheet 13. Business Formation Types Resource Sheet & Tip Sheet 13B. Notes Sheet**
6. For assistance with licensing requirements, permits and other legalities
 - a. Refer to **CLF Tip Sheet 8. Exploring Licensing Requirements for a Small Business**

Delete these questions after you have written this section!!

Your background

— **Keep this heading** - feel free to reword it if you would like

1. What knowledge, skills, or experience do you have that prepares you for success in this business?
2. Here you should summarize main points (x years working in a similar business, relevant education, related training, licenses, certifications, whatever).
3. **Also attach a full resume for each partner at the end.**

Delete these questions after you have written this section!!

Intended location

— **Keep this heading** - feel free to reword it if you would like

1. **Where will your business be physically located?**
 - a. *Brick and mortar (physical location)/online only/ home-based business/pop-up style/mobile??*
2. **Hours of operation – when will you be available to customers?**
 - a. *Even if you don't have a physical location, answer this question*
 - b. *Consider when you will be available for customer questions or to resolve issues*
3. **For physical location businesses- consider these questions**
 - a. *What is the actual address of the location?*
 - b. *Residential, commercial, or mixed neighborhood?*
 - c. *Proximity to a bus line, highway or parking lot?*
 - d. *IS it on a main street – describe the visibility of the location?*
 - e. *Any key features that make this location a good fit for your business? Such as display windows etc...*
 - f. *What is the size of the store?*
 - g. *Estimated rent amount?*
 - h. *Layout of the store – a picture or drawing of this would be a helpful attachment*
 - i. *Will you also have an online presence?*
4. **For online located businesses – consider these questions**
 - a. *Location of your online presence*
 - i. *Just a website? Etsy? Shopify? Amazon? Etc...*
 - b. *Why is this the best fit for your business?*
 - c. *Analyze the visibility of your online page? – how will people find you there? Typical online traffic?*
 - d. *Cost of the online store?*
 - e. *How do you keep inventory? Do you have a separate location for that?*
5. **For pop-up or mobile based businesses – consider these questions**
 - a. *Where will you be locating during these events? Addresses or potential places for pop-ups?*
 - b. *Cost associated with either parking the mobile someplace or attending the pop-ups*
 - c. *Is there permits needed in order to do business this way?*
 - d. *Are you limited in where you can physically do business because of this?*
 - e. *Proximity to customers?*
 - f. *Does this affect the seasonality of your business?*
6. **How will people access your products or services?**
 - a. *Examples: online sales, with distribution handled from your house; storefront in a neighborhood in a city; specific address if site is already identified/contracted.*
7. **What is the geographic area you serve?**
 - a. *Is it local within a certain radius of your location?*
 - b. *Online, with no real impact by geography?*
8. **Other additional information may include:** *space needed for sales, storage, distribution, and/or management; suitability for your business; zoning laws; available parking; insurance, utilities; other relevant aspects.*

Delete these questions after you have written this section!!

Product and service offerings

---- **Keep this heading-** feel free to reword it if you would like

1. **What products or services do you sell?**
 - a. Include the different revenue streams you have for your business
 - b. What are the different things that you sell?
 - c. What is the price for these items?
 - d. If you have a pricing menu add that as an attachment
2. **How do you accept payments?**
 - a. Cash/credit/debit/checks/direct deposit/online payment systems
 - b. Do you have a POS system?
3. **What is the payment process?**
 - a. Pay before delivery of goods?
 - b. Pay deposit and then remainder upon delivery?
4. **How is delivery of the product or service organized?**
 - a. Is there a pickup procedure/delivery options/on-site services?
 - b. Is there a certain area that products are distributed to?
 - c. Is there any fee to the customer associated with this?
 - d. If there is delivery – who will be responsible for that?
5. **How are you tracking inventory?**
 - a. Address this if you sell direct to consumer and online
 - b. Where are you storing inventory?
 - c. How much inventory do you keep on hand – when do you reorder?
 - d. How do you inform customers when things are out of stock or ensure that orders can be fulfilled?

Delete these questions after you have written this section!!

Your intended customers or target market

---- **Keep this heading-** feel free to reword it if you would like

1. **What types of customers is your business aimed at?**
 - a. Individuals/families/businesses/parents/women/men etc.??
2. **What are the likely demographics** (age, gender, income, etc.);
 - a. Interests; needs, preferences; possible concerns?
 - b. Current places they get the same or similar good/service?
3. **Where are these people located?**
 - a. Do you focus on your local market or more of an expanded area?
 - b. Does geography affect your sales in regard to target market
4. **Determining factors?**
 - a. Any research you have done to establish that this is your market?
 - b. Surveys, testing groups, questionnaires?

Delete these questions after you have written this section!!

Marketing plan

---- **Keep this heading-** feel free to reword it if you would like

1. **How will you reach your target audience to tell them about your product/service?**
 - a. Develop an overview and some details.
 - b. Determine the different marketing tools you should use to reach your target customers
 - c. Where can you typically find your intended customers?
 - d. Marketing may include – social media, flyers, pop-up events, business cards, ad space, mailers, lead generation, website, e-commerce stores, online ads etc...
2. **Create at least a 6-month plan 12 would be even better– even if its bullet points**
 - a. Detail all the different marketing you will do each month and the cost associated with that platform
 - b. Example: 3 FB posts a month, small Ad in the local paper – budgeted \$35 a month
 - c. Be very specific about the marketing you plan to do as this shows your ability to drive sales
3. For assistance with creating your marketing plan please refer to **CLF Tip Sheet 9. Social Media Marketing Resources**

Delete these questions after you have written this section!!

Your competition

---- Keep this heading- feel free to reword it if you would like

- 1. What organizations, companies, governmental offices, or other sources already exist that provide a similar type of product/service?**
 - a. Think about your target area and target market and explore what's available that can affect your business
- 2. List top 3-5 competitors overall – top 3 direct competitors and top 2 in-direct competitors if you can identify**
 - a. Focus on direct and indirect competitors
 - i. Direct competitors- do exactly what you do or target the exact same consumer group
 - ii. In-direct competitors typically offer a substitute product/service or are far enough away that they don't directly affect your sales
- 3. For each competitor that you identify – address the following**
 - a. Their products- how are they similar and different to yours?
 - b. Their pricing – how are they priced in comparison to the market and your pricing?
 - c. Their location – how far are they from your location – do they cover the same geographic area as you?
 - d. Their strengths - things they do well
 - e. Their weaknesses- things they could do better
- 4. What makes or will make yours different/better?**
 - a. This would be identifying your competitive advantage
 - b. How will you stand out against your competitors?

Delete these questions after you have written this section!!

Management & Employees

---- Keep this heading- feel free to reword it if you would like

- 1. What are the major roles in your organization that need to be fulfilled?**
 - a. Management/accountant/lawyer/bookkeeper/insurance agent
- 2. What will your role in the business be? What activities will you be responsible for?**
 - a. Detail the different roles and responsibilities you will have in the business
 - b. Remember to consider your hours of operation and your own personal schedule before you say you will do everything
 - c. Try to be as detailed as possible in this overview
- 3. Understanding your role in the business is very important**
 - a. Reference material for this section is **CLF Tip Sheet 7. Envisioning your perfect workday**
- 4. Do you need additional staffing for the business?**
 - a. Are there other roles that need to be fulfilled in the business that you can't do?
 - b. Do you need service providers, booth renters, cashiers etc....
 - c. Salaries or hourly wages? Contracted pay?
 - i. What do you anticipate paying?
- 5. If you need additional staff, will you have independent contractors or employees?**
 - a. Make sure you refer to the NYS Department of Labor to make sure you understand the requirements of each
 - b. <https://dol.ny.gov/independent-contractors>
 - c. <file:///C:/Users/Destiny/Downloads/GLC%20-%20Rural%20Law%20-%20Employees-Independence-Contractors.pdf>
- 6. Have you identified these individuals already?**
 - a. If yes, who are they?
 - i. What are their skills? Why are they qualified?
 - b. If you have not, what will be the process for hiring?
 - i. How will you find them?
 - ii. What qualifications are needed?

Delete these questions after you have written this section!!

“Finances”

How Money will be raised and spent

The financial section of the business plan contains all the details about the capital (monetary) needs of your business and financial strategies that you will utilize to fund and sustain your venture. The purpose of the financial section is to explain how much funding your business needs to open its doors and pay all its expenses. The financial section will contain a written financial narrative, assumptions which are the facts that you are basing your financial estimates on and any graphs or spreadsheets that can be utilized to illustrate the financials. **Delete after reading**

Overview of capitalization needs & major funding sources

---- Keep this heading- feel free to reword it if you would like

1. **How much capital (money) will you need?**
 - a. Think of this in terms of the total dollar amount needed to open your doors day one and make your first sale
 - b. Also include potentially a 1-3month cushion for some of your expenses like rent/utilities/insurance
2. **Of that total amount, how much do you have already? (Savings, loan against insurance, home equity, etc.)?**
 - a. This is called your personal or owner's investment in the business
 - b. Is this amount in cash/equipment value/supplies?
3. **Do you have current partners/friends/family that have promised to lend or give you funds towards this amount?**
 - a. If yes, have that agreement in writing with a description of all terms and conditions for repayment
 - b. If it is a gift have something in writing that states that as well
4. **How much more is needed? Do you need to borrow money?**
 - a. Who are you looking to borrow from? – adjust your plan when presenting it to different lenders
 - b. You want your plan to be specific to the reader and what you are looking for from them
 - c. What funding sources are you currently pursuing (grants, loans, donations, investors)?

Delete these questions after you have written this section!!

Use of funds requested

---- Keep this heading- feel free to reword it if you would like

1. **If the plan is for a loan or investment request, how much money are you seeking?**
 - a. What, exactly, will the money be used for?

Delete these questions after you have written this section!!

Capital equipment

---- Keep this heading- feel free to reword it if you would like

2. **What major equipment and/or technology (items costing over \$1,000) will you need for the business?**
 - a. Which items do you already have?
 - b. How will you get the others (example: borrow; rent; lease; purchase used; purchase new)?
 - c. How much will those cost?
 - d. A brief summary followed by a detailed table will be helpful.
 - i. Think through all components (for example, besides computers, what will you need for software, routers, printers, cables, etc.?).
 - ii. Add notes to explain items that people not in your field may not be familiar with.

Delete these questions after you have written this section!!

Start-up costs

---- Keep this heading- feel free to reword it if you would like

1. What purchases, contracts, or other expenses are needed to start?
 - a. Examples: Security deposit, rent, furnishings, staffing, shipping supplies, insurance policy, construction, fixtures

Delete these questions after you have written this section!!

Balance Sheet

---- Keep this heading- feel free to reword it if you would like

1. This is a brief financial summary showing the “net worth” of a business at a point in time
 - a. Potential investors and lenders will use this to evaluate your business’s health
2. This is typically a document created by established businesses
 - a. If you have liabilities you will want to assume that the lender will want to see a balance sheet.
3. Balance sheets **MUST ALWAYS** Balance: **Assets = Liabilities + Equity**
4. Listing totals for all asset categories
 - a. Inventory, cash in accounts, payments expected, etc.
 - b. Listed in terms of liquidity – how quickly the item can be converted to cash
 - c. Cash is always listed first, then any savings in accounts, accounts receivable etc...
5. List totals for “liabilities” debts, contracts, etc.
 - a. Listed in order of the amount of time you must pay
 - b. Shorter term debts such as taxes, equipment loans, accounts payable etc... are listed first
 - c. Longer term debts such as mortgages, land leases etc.. are listed after
6. If you are trying to determine the equity of the business, you can subtract liabilities from assets
 - a. **Equity = Assets – Liabilities**
7. You will probably need help understanding and creating this piece.

Delete these questions after you have written this section!!

Break-even analysis

---- Keep this heading- feel free to reword it if you would like

1. At what point do you think the business will move from being in debt to meeting costs with income generated by the business?
 - a. Break-even analysis helps you figure out how many products or services you must sell in order to make your business profitable?
2. You will need the following information to develop a break-even
 - a. Fixed costs – expenses that exist regardless of how many sales you make
 - b. Variable cost- expenses directly related to product or service sales
 - c. Price point – how much you charge for the product or service you offer
3. Refer to **CLF Tip Sheet 14. Start Up Budgeting and Break-Even Analysis**

Delete these questions after you have written this section!!

Cash flow projection assumptions

---- Keep this heading- feel free to reword it if you would like

1. This section should include a list of assumptions for your cash flow projections and the actual cash flow spreadsheets.
 - a. Please refer to **CLF Cash Flow for Clients Spreadsheet**
2. How much cash do you expect to have come into and go out of your business in the next three years?
 - a. This includes items beyond your core activities, such as other sources of funds (loans, investments) and expenses (payments to investors).
3. For year 1, show estimates by month
 - a. This will include a prestart column for start-up costs and expenses for the business
 - b. Then 12 months of projected revenue and expenses
 - c. Make sure to reflect revenue and expenses in the month you believe they will occur
 - d. For year2 and year3, estimate by quarter.
4. Add notes and explanations.
 - a. Create a list of assumptions- this is the base line for your projections and the ideas you are basing your numbers on
5. Refer to **CLF Tip Sheet 12. Estimated Expense Worksheet**

Delete these questions after you have written this section & don't forget to include your cash flow spreadsheets!!

“SUPPORTING DOCUMENTS”

INFORMATION TO SUPPORT YOUR PLAN

This section is for other documents relevant to your plan. If many items are attached, include a numbered list of attachments in the beginning, and label each item. Attachments may include:

- Resume(s) for yourself and other key people
- Letters of support from business associates, past or current clients, employers, and/or others
- Job descriptions for key positions.
- Copies of leases or other contracts
- Sample product/service menu with pricing
- Sample marketing materials
- Maps, diagrams, or other visuals that may help

Delete these questions after you have written this section!!