

Writing the Plan

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What goes in a business plan? The body can be divided into four distinct sections:

1. Description of the Business
2. Marketing
3. Finances
4. Management

Agendas should include an executive summary, supporting documents, and financial projections. Although there is no single formula for developing a business plan, some elements are common to all business plans. They are summarized in the following outline:

Elements of a Business Plan

1. **Cover Sheet**
2. **Statement of Purpose**
3. **Table of Contents**

I. The Business

1. Description of Business
2. Marketing
3. Competition
4. Operating Procedures
5. Personnel
6. Business Insurance

II. Financial Data

1. Loan Applications
2. Capital Equipment and Supply List
3. Balance Sheet
4. Breakeven Analysis
5. Pro-forma Income Projections (profit & loss statements)
6. Three-year Summary
7. Detail by Month, First Year
8. Detail by Quarters, Second and Third Years
9. Assumptions Upon Which Projections Were Based
10. Pro-forma Cash Flow

III. Supporting Documents

1. Tax Returns of Principals for Last Three Years,
2. Personal Financial Statement (all banks have these forms)
3. For Franchised Businesses, a Copy of Franchise Contract and All Supporting Documents Provided by the Franchisor
4. Copy of Proposed Lease or Purchase Agreement for Building Space
5. Copy of Licenses and Other Legal Documents
6. Copy of Resumes of All Principals
7. Copies of Letters of Intent From Suppliers, etc.

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