

iPlanner.NET  
Small Business Plans Online

# **BUSINESS PLAN TEMPLATE**

For a start-up company

18/01/2012 12:33:19(GMT)

Executive Summary .....	3
Business Overview .....	3
Products and Services.....	3
Sales Forecast .....	4
Marketing Strategy .....	4
Management and Staffing .....	5
Implementation Plan.....	6
Overhead Expenses .....	6
Investments .....	6
Financing.....	7
Financial Projections .....	7
Risk Analysis.....	12

Get started with your business plan – [www.iplanner.net](http://www.iplanner.net)

## Executive Summary

The purpose of executive summary is to summarize the highlights of the bizplan and to provide a brief snapshot of the company.

Give the reader a fix on the size and type of the company, its management, the products and services it offers, also some basic information about the industry, the size of the target market, and the financial goals of the business.

If your plan is designed to help you get a bank loan, include the information about the amount, type and purpose of the funds your are seeking.

### Main financial measures

	2012	2013	2014
Cash	152,993	82,426	211,043
Sales revenue	1,550,000	4,000,000	5,500,000
Net profit for financial year	-215,880	167,108	391,863
Operating margin	-13.9%	4.18%	7.12%
Owners' equity	34,120	201,228	593,091
Return on equity (per year)	-633%	83.0%	66.1%

## Business Overview

The business overview section generally consists the information about your company's legal name, address and contact information.

Briefly describe the ownership and organizational structure, give a mission statement and a list of your objectives and success factors.

Depending on the business model and a type of business plan, you may need to include a description of the location and facilities.

Describe your company's history (if any) or a startup information.

## Products and Services

The starting point here is a clear statement of what the product is or what service your company will provide.

Explain what makes your products or services unique in the marketplace and how they will differ from those of your competitors.

Do you have any plans to update existing products or to offer new products or services in the next years? If yes, provide a brief description of what you plan to do.

## Sales Forecast

You may include comments to your sales forecast expressed below.

### Sales revenue (USD)

<b>Products and services</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Products on sale	1,550,000	4,000,000	5,500,000
	<b>1,550,000</b>	<b>4,000,000</b>	<b>5,500,000</b>

### Gross margin (%)

<b>Products and services</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Products on sale	35	35	35



## Marketing Strategy

The marketing strategy section typically consists of an:

- ?? Industry analysis, which assesses the general industry environment in which your compete.
- ?? Target market analysis, which identifies and quantifies your customers.

- ?? Competitive analysis, which identifies your competitors, their strengths and weaknesses.
- ?? Marketing plan, which explains how you will effectively market your products and services to the target customers.

## Management and Staffing

Here you should describe the management and staffing structure of your company.

Discuss how many employees you currently have (if any) and how many you expect to have over the next years.

Point out the key people and their roles on your management team.

Discuss how you will fill the key non-management jobs within your business.

Discuss any factors that could affect your ability to find, hire and keep employees.

### Headcount

Personnel	2012	2013	2014
Management	3	3	3
Blue collar	4	7	9
	<b>7</b>	<b>10</b>	<b>12</b>

### Monthly salary (USD)

Personnel	2012	2013	2014
Management	5,500	5,700	6,000
Blue collar	4,300	4,400	4,500

### Labor cost (USD)

	2012	2013	2014
Wages and salaries	404,400	574,800	702,000
Social security costs	40,440	57,480	70,200
<b>Labor cost</b>	<b>444,840</b>	<b>632,280</b>	<b>772,200</b>
REVENUES	1,550,000	4,000,000	5,500,000
Labor cost to revenues	28.7%	15.8%	14.0%

### Labor cost (USD)

	2012	2013	2014
Wages and salaries	404,400	574,800	702,000
Social security costs	40,440	57,480	70,200
<b>Labor cost</b>	<b>444,840</b>	<b>632,280</b>	<b>772,200</b>
REVENUES	1,550,000	4,000,000	5,500,000
Labor cost to revenues	28.7%	15.8%	14.0%



## Implementation Plan

The implementation plan section you should provide an overview of the types of activities your enterprise must routinely perform. Depending on the business model, you may briefly describe the manufacturing process and/or the process of rendering services, filling orders, collecting money from customers, providing after-sale support, dealing with unexpected occurrences or changing conditions etc.

## Overhead Expenses

You may give some comments on the overhead expenses budget included with this chapter.

### Other operating expenses (USD)

<b>Other operating expenses</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Start-up expenses	50,000	0	0
Overhead expenses	300,000	500,000	600,000
	<b>350,000</b>	<b>500,000</b>	<b>600,000</b>

## Investments

Describe your investment plan (purchase of fixed assets) included with this chapter.

### Assets purchase value (USD)

<b>Fixed assets</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
---------------------	-------------	-------------	-------------

Start-up investments	50,000	0	0
Fixed assets	0	100,000	0
	<b>50,000</b>	<b>100,000</b>	<b>0</b>

## Financing

Describe how your company shall be financed (your own contribution, bank loans, equity investments, capital leases, grant financing).

### Capital structure (USD)

	2012	2013	2014
Current assets	512,453	482,021	738,130
Fixed assets	42,500	120,000	97,500
<b>Current liabilities</b>	<b>320,833</b>	<b>381,869</b>	<b>223,614</b>
<b>Long-term liabilities</b>	<b>200,000</b>	<b>18,925</b>	<b>18,925</b>
<b>Owners' equity</b>	<b>34,120</b>	<b>201,228</b>	<b>593,091</b>

### Inflows of nominal value (USD)

Owners	01-2012	02-2012	03-2012	04-2012
Owner A	150,000	0	0	0
Owner B	100,000	0	0	0
	<b>250,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Loan amounts received (USD)

Annuity loans	2012	2013	2014
Bank loan 2	0	50,000	0
	<b>0</b>	<b>50,000</b>	<b>0</b>

### Principal repayments (USD)

Annuity loans	2012	2013	2014
Bank loan 2	0	14,492	16,584
	<b>0</b>	<b>14,492</b>	<b>16,584</b>

### Interest expense (USD)

Annuity loans	2012	2013	2014
Bank loan 2	0	1,992	1,399
	<b>0</b>	<b>1,992</b>	<b>1,399</b>

## Financial Projections

### Income Statement

The intent of an income statement is to show how much net profit the business will be generating. First, it calculates gross profits. Gross profit is sales revenue minus cost of

sales. Then, the statement begins to account for the other expenses like personnel expenses, rent and utilities, advertising, etc. Once that is calculated and subtracted from gross profit, it leaves the net profit.

### Balance Sheet

A balance sheet is a snapshot in time about a company's health. The balance sheet totals the company's assets and liabilities. It also tracks the owner's equity by placing it with the liabilities, this provides a way for the two categories to balance. When totaled the assets and liabilities with owner's equity should equal each other. What one finds with this financial is where the business capital and liabilities are placed.

### Cash Flow Statement

The cash flow statement shows how cash is flowing in and out of the business. It can be argued the cash flow statement is similar to the income statement with a lot of the same categories. However, a cash flow statement accounts for loan payments, owners draw (dividends outflow), and capital purchases (fixed assets), but not depreciation or write-offs. Any cash transaction is accounted for, so a company's liquidity is being tracked. Its goal is to point out when a business will need cash or be cash rich.

### Performance measures (USD)

	2012	2013	2014
Sales revenue	1,550,000	4,000,000	5,500,000
Export sales	0	0	0
Cost of sales	1,007,500	2,600,000	3,575,000
<b>Gross profit</b>	<b>542,500</b>	<b>1,400,000</b>	<b>1,925,000</b>
Other operating revenue and expenses	0	0	0
Other operating expenses	350,000	500,000	600,000
Labor cost	444,840	632,280	772,200
Depreciation of fixed assets	7,500	22,500	22,500
<b>Operating profit</b>	<b>-259,840</b>	<b>245,220</b>	<b>530,300</b>
EBITDA	-252,340	267,720	552,800
Financial income and expenses	-28,000	-22,409	-7,816
<b>Profit before income tax</b>	<b>-287,840</b>	<b>222,811</b>	<b>522,484</b>
Income tax expense	-71,960	55,703	130,621
<b>Profit</b>	<b>-215,880</b>	<b>167,108</b>	<b>391,863</b>
Operating margin	-13.9%	4.18%	7.12%
Gross margin	35%	35%	35%
Sales per employee	221,429	400,000	458,333
Value added	192,500	900,000	1,325,000
Value added per employee	27,500	90,000	110,417
Return on equity (per year)	-633%	83.0%	66.1%
Quick ratio	1.09	0.69	1.97
Current ratio	1.60	1.26	3.30
ISCR	-9.01	11.9	70.7
DSCR	0	1.13	2.46
Debt to equity ratio	11.7	1.17	0.03
Debt to capital ratio	92.1%	53.9%	3.09%



Receivables collection period, days	29.0	15.0	15.0
Payable period, days	38.7	20.0	20.0
Inventory period, days	58.1	30.0	30.0

### Income statement (USD)

	2012	2013	2014
Sales revenue	1,550,000	4,000,000	5,500,000
Export sales	0	0	0
Other operating revenue	0	0	0
Cost of sales	1,007,500	2,600,000	3,575,000
Other operating expenses	350,000	500,000	600,000
Labor cost			
Wages and salaries	404,400	574,800	702,000
Social security costs	40,440	57,480	70,200
Total labor cost	444,840	632,280	772,200
Depreciation of fixed assets	7,500	22,500	22,500
<b>Operating profit</b>	<b>-259,840</b>	<b>245,220</b>	<b>530,300</b>
Financial expenses			
Interest expense	28,000	22,409	7,816
Total financial expenses	28,000	22,409	7,816
<b>Profit before income tax</b>	<b>-287,840</b>	<b>222,811</b>	<b>522,484</b>
Income tax expense	-71,960	55,703	130,621
<b>Net profit for financial year</b>	<b>-215,880</b>	<b>167,108</b>	<b>391,863</b>

### Balance sheet (USD)

	2012	2013	2014
<b>ASSETS</b>			
<b>Current assets</b>			
Cash	152,993	82,426	211,043
Receivables and prepayments			
Trade receivables	125,000	166,669	229,169
Prepaid and deferred taxes	71,960	16,257	0.00
Other short-term receivables	0	0	0
Inventories			
Inventories	162,500	216,669	297,919
<b>Total current assets</b>	<b>512,453</b>	<b>482,021</b>	<b>738,130</b>
<b>Fixed assets</b>			
Tangible assets			
Machinery and equipment	50,000	150,000	150,000
Less: Accumulated depreciation	-7,500	-30,000	-52,500
Total	42,500	120,000	97,500
<b>Total fixed assets</b>	<b>42,500</b>	<b>120,000</b>	<b>97,500</b>
<b>Total assets</b>	<b>554,953</b>	<b>602,021</b>	<b>835,630</b>
<b>LIABILITIES and OWNERS' EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Loan liabilities			
Short-term loans and notes	0	0	0
Current portion of long-term loan liabilities	200,000	216,584	0
Total	200,000	216,584	0

Debts and prepayments			
Trade creditors, goods	108,333	144,448	198,614
Trade creditors, other	12,500	20,837	25,000
Employee-related liabilities	0	0	0
VAT (GST)	0	0	0
Total	120,833	165,285	223,614
<b>Total current liabilities</b>	<b>320,833</b>	<b>381,869</b>	<b>223,614</b>
<b>Long-term liabilities</b>			
Long-term loan liabilities			
Loans, notes and financial lease payables	200,000	18,925	18,925
Deferred grant revenue	0	0	0
<b>Total long-term liabilities</b>	<b>200,000</b>	<b>18,925</b>	<b>18,925</b>
<b>Total liabilities</b>	<b>520,833</b>	<b>400,793</b>	<b>242,539</b>
<b>Owners' equity</b>			
Share capital in nominal value	250,000	250,000	250,000
Share premium	0	0	0
Retained profit/loss	0	-215,880	-48,772
Current year profit	-215,880	167,108	391,863
<b>Total owners' equity</b>	<b>34,120</b>	<b>201,228</b>	<b>593,091</b>
<b>Total liabilities and owners' equity</b>	<b>554,953</b>	<b>602,021</b>	<b>835,630</b>

#### Cash flow statement (USD)

	Jan-2012	Feb-2012	Mar-2012	Apr-2012	May-2012	Jun-2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Inflows						
Payments from customers	16,667	33,333	33,334	50,000	66,666	66,667
Receipt of grant financing (operating expenses)	0	0	0	0	0	0
Receipt of grant financing (personnel expenses)	0	0	0	0	0	0
Receipt of other operating revenue	0	0	0	0	0	0
Total	16,667	33,333	33,334	50,000	66,666	66,667
Outflows						
Payments to vendors (goods)	14,444	36,111	21,667	36,111	57,777	43,334
Payment of salaries and wages	33,700	33,700	33,700	33,700	33,700	33,700
Social security costs	3,370	3,370	3,370	3,370	3,370	3,370
Payments to vendors (operating expenses)	20,833	41,666	41,667	33,334	25,000	25,000
Total	72,347	114,847	100,404	106,515	119,847	105,404
<b>Net cash flow from operating activities</b>	<b>-55,681</b>	<b>-81,514</b>	<b>-67,070</b>	<b>-56,515</b>	<b>-53,181</b>	<b>-38,737</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Receipt of grant financing (assets)	0	0	0	0	0	0
Total	0	0	0	0	0	0
Outflows						
Payments to vendors (assets)	50,000	0	0	0	0	0
Total	50,000	0	0	0	0	0
<b>Net cash flow from investing activities</b>	<b>-50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Inflows						
Inflows of nominal value	250,000	0	0	0	0	0
Inflows of share premium	0	0	0	0	0	0
Loan amounts received	400,000	0	0	0	0	0
Total	650,000	0	0	0	0	0
Outflows						
Principal repayments	0	0	0	0	0	0

Interest expense	2,333	2,333	2,333	2,333	2,333	2,333
Dividends (net to shareholders)	0	0	0	0	0	0
Payment of corporate income tax	0	0	0	0	0	0
Corporate income tax on dividends	0	0	0	0	0	0
VAT Return	0	0	0	0	0	0
Total	2,333	2,333	2,333	2,333	2,333	2,333
<b>Net cash flow from financing activities</b>	<b>647,667</b>	<b>-2,333</b>	<b>-2,333</b>	<b>-2,333</b>	<b>-2,333</b>	<b>-2,333</b>
<b>Net change in cash and cash equivalents</b>	<b>541,986</b>	<b>-83,847</b>	<b>-69,404</b>	<b>-58,849</b>	<b>-55,514</b>	<b>-41,070</b>
<b>Cash and cash equivalents at the beginning</b>	<b>0</b>	<b>541,986</b>	<b>458,139</b>	<b>388,735</b>	<b>329,886</b>	<b>274,372</b>
<b>Cash and cash equivalents at the end</b>	<b>541,986</b>	<b>458,139</b>	<b>388,735</b>	<b>329,886</b>	<b>274,372</b>	<b>233,302</b>

### Cash flow statement (USD)

	03-2012	04-2012	01-2013	02-2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Inflows				
Payments from customers	450,000	708,334	958,333	999,999
Receipt of grant financing (operating expenses)	0	0	0	0
Receipt of grant financing (personnel expenses)	0	0	0	0
Receipt of other operating revenue	0	0	0	0
Total	450,000	708,334	958,333	999,999
Outflows				
Payments to vendors (goods)	346,667	505,556	668,055	649,999
Payment of salaries and wages	101,100	101,100	143,700	143,700
Social security costs	10,110	10,110	14,370	14,370
Payments to vendors (operating expenses)	75,000	75,000	116,665	124,998
Total	532,877	691,766	942,790	933,067
<b>Net cash flow from operating activities</b>	<b>-82,877</b>	<b>16,568</b>	<b>15,543</b>	<b>66,932</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipt of grant financing (assets)	0	0	0	0
Total	0	0	0	0
Outflows				
Payments to vendors (assets)	0	0	100,000	0
Total	0	0	100,000	0
<b>Net cash flow from investing activities</b>	<b>0</b>	<b>0</b>	<b>-100,000</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Inflows				
Inflows of nominal value	0	0	0	0
Inflows of share premium	0	0	0	0
Loan amounts received	0	0	50,000	0
Total	0	0	50,000	0
Outflows				
Principal repayments	0	0	52,584	53,917
Interest expense	7,000	7,000	6,828	6,118
Dividends (net to shareholders)	0	0	0	0
Payment of corporate income tax	0	0	0	0
Corporate income tax on dividends	0	0	0	0
VAT Return	0	0	0	0
Total	7,000	7,000	59,412	60,035
<b>Net cash flow from financing activities</b>	<b>-7,000</b>	<b>-7,000</b>	<b>-9,412</b>	<b>-60,035</b>
<b>Net change in cash and cash equivalents</b>	<b>-89,877</b>	<b>9,568</b>	<b>-93,869</b>	<b>6,896</b>
<b>Cash and cash equivalents at the beginning</b>	<b>233,302</b>	<b>143,425</b>	<b>152,993</b>	<b>59,124</b>
<b>Cash and cash equivalents at the end</b>	<b>143,425</b>	<b>152,993</b>	<b>59,124</b>	<b>66,021</b>

### Cash flow statement (USD)

	2012	2013	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Inflows			
Payments from customers	1,425,000	3,958,332	5,437,500
Receipt of grant financing (operating expenses)	0	0	0
Receipt of grant financing (personnel expenses)	0	0	0
Receipt of other operating revenue	0	0	0
Total	1,425,000	3,958,332	5,437,500
Outflows			
Payments to vendors (goods)	1,061,667	2,618,055	3,602,083
Payment of salaries and wages	404,400	574,800	702,000
Social security costs	40,440	57,480	70,200
Payments to vendors (operating expenses)	337,500	491,663	595,837
Total	1,844,007	3,741,998	4,970,120
<b>Net cash flow from operating activities</b>	<b>-419,007</b>	<b>216,334</b>	<b>467,380</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Receipt of grant financing (assets)	0	0	0
Total	0	0	0
Outflows			
Payments to vendors (assets)	50,000	100,000	0
Total	50,000	100,000	0
<b>Net cash flow from investing activities</b>	<b>-50,000</b>	<b>-100,000</b>	<b>0</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Inflows			
Inflows of nominal value	250,000	0	0
Inflows of share premium	0	0	0
Loan amounts received	400,000	50,000	0
Total	650,000	50,000	0
Outflows			
Principal repayments	0	214,492	216,584
Interest expense	28,000	22,409	7,816
Dividends (net to shareholders)	0	0	0
Payment of corporate income tax	0	0	114,364
Corporate income tax on dividends	0	0	0
VAT Return	0	0	0
Total	28,000	236,901	338,763
<b>Net cash flow from financing activities</b>	<b>622,000</b>	<b>-186,901</b>	<b>-338,763</b>
<b>Net change in cash and cash equivalents</b>	<b>152,993</b>	<b>-70,567</b>	<b>128,616</b>
<b>Cash and cash equivalents at the beginning</b>	<b>0</b>	<b>152,993</b>	<b>82,426</b>
<b>Cash and cash equivalents at the end</b>	<b>152,993</b>	<b>82,426</b>	<b>211,043</b>

### **Risk Analysis**

The risk analysis section should anticipate the events or conditions that could affect the business success during the term of the business plan. Discuss how likely it is that these

events will occur and what steps you will take to limit the impact should these events occur.

Break-even analysis (USD)

	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Sales revenue</b>	<b>1,550,000</b>	<b>4,000,000</b>	<b>5,500,000</b>
Cost of sales	1,007,500	2,600,000	3,575,000
<b>Variable expenses, total</b>	<b>1,007,500</b>	<b>2,600,000</b>	<b>3,575,000</b>
Labor cost	444,840	632,280	772,200
Other operating expenses	350,000	500,000	600,000
Depreciation of fixed assets	7,500	22,500	22,500
Financial expenses	28,000	22,409	7,816
<b>Fixed expenses, total</b>	<b>830,340</b>	<b>1,177,189</b>	<b>1,402,516</b>
Gross margin	35%	35%	35%
Break-even sales revenue	2,372,400	3,363,398	4,007,188
<b>Sales revenue above break-even</b>	<b>0</b>	<b>636,602</b>	<b>1,492,812</b>

Get started with your business plan – [www.iplanner.net](http://www.iplanner.net)