



The Business Plan

Most banks or financial institutions will require a business plan before making you a business loan. Even if you are not seeking financial assistance a business plan is key to making your business successful. It functions as a guide to establishing and operating your business.

Elements of a Business Plan

1. Cover sheet
2. Statement of Purpose
3. Table of Contents
 - I – The business
 - a. Description of business
 - b. Marketing
 - c. Competition
 - d. Operating procedures
 - e. Personnel
 - f. Business insurance
 - II – Financial Data
 - a. Loan applications
 - b. Capital equipment and supply list
 - c. Balance sheet
 - d. Breakeven analysis
 - e. Profit and loss statements – Estimated three year summary
Estimated detail by month, first year – Estimated detail by quarters, second and third years. Assumptions upon which projections were based
 - f. Projected cash flow

III- Supporting Documents

Tax returns of principals for the last three years. Personal financial statement.
For franchised businesses, a copy of franchise contract and all supporting documents provided by the franchisor.
Copy of proposed leases or purchase agreement for building space.
Copy of licenses and other legal documents.
Copy of resumes of all principals
Copies of letters of intent from suppliers, etc.

Sample plans: www.sba.gov www.entrepreneur.com