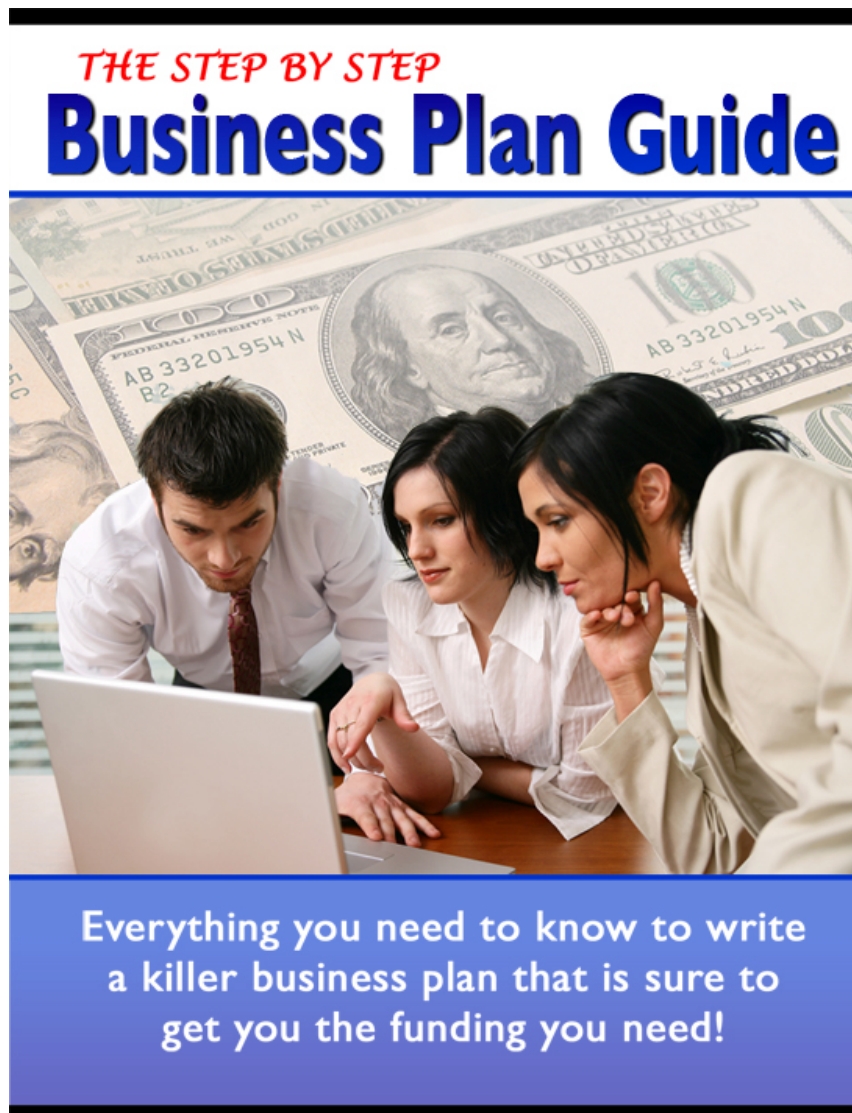


The Step By Step Business Plan Guide

Part 1



The Essential Elements of a Business Plan

A business plan is your official blue print to success. Your plan should consist of achievable goals. Your goals should not only include how much revenue you want to earn within your first year in business, your goals should also consist of ways to confront potential problems. Goal setting allows you to determine how much capital is needed to keep your business venture running smoothly until you break even with your investment.

When an entrepreneur develops his/her own business plan, it is uniquely theirs. Like a biography, a business plan tells a story of the present and future. What's great about a business plan is that you do not have to stick with one particular guideline. You can revise your business plan to suite your business needs as many times as you desire. You can create innovative ideas to help increase notoriety of your company.

Supporting Documents

Include any and all documentation that will support your business plan that has not already been included in any other section. Any contracts, tax records, credit reports, lease or rental agreements and legal documents should be included. Your supporting documents will help you to show your overall business goals and the core objectives.

Quick Start Work Shop

A good business plan should hold projections through the first 5 years of your operation. Even after the initial plan, it is a very good practice to make a new plan for at least 3 more years and continue this through out the operation of your business. It will aid you in budgeting and projection of goals. There are several organizations that offer free or low cost assistance with business plans. Below are a few of these:

University Out Reach Centers
Business Development Centers
SCORE (Service Corps of Retired Executives)
Small Business Administration

Here are the segments that should be included in your business plan:

-Introduction Section

-Executive Summery

-Company Description

-Marketing Strategies

-Operations Plan

-Financial Strategies

-Supporting Documents/Appendices

Sample Cover Sheet

Copy No. _____

Given To: _____

Confidential
Business Plan

Interested parties should contact:

Sample Business Plan

Interested parties should contact:

Sample Business

John Doe

PO BOX 1212

St. Louis, MO 11111

(555) 555-5555

jdoe@samplebusiness.com

www.samplebusiness.com

*The contents of this document are confidential and the property of
Sample Business.*

*By accepting this document, you agree not to disclose any information
contained therein for a period of three years from the date of receipt.*

The Step By Step Business Plan Guide

This document is not to be viewed or reproduced by anyone other than the receiving party or approved personnel. The statements, plans, assumptions, and projections contained within should not be relied upon for investment purposes.

©2007 Sample Business (Proposed)

Why Is a Business Plan Important?

One of the most important aspects of starting a business in today's society is having a solid business plan. A business plan is like a blue print to success. An entrepreneur has to chart their course. You have to know what direction you are going in. You need to have a goal set in your mind about how much money you want to generate from your business and how you plan to generate your business. A person who starts a business without a business plan is like a person walking around the middle of Manhattan with blinders on.

For example, a carpenter or an architect has blueprints drawn up before they proceed to build a house. A house should have a solid foundation. A business needs to have a solid foundation otherwise it will crumble.

A business plan allows you to take an unbiased look at your business. You can immediately identify areas of strength and weakness. Good planning can mean the difference between a successful thriving business or a business that flops like a movie that soured at the box office.

The overall purpose of having a plan is so that you can be mentally focused. A business plan is like an enormous goal

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broken down into mini goals. Far and few people have been able
to run a successful business with longevity.

Connecting the Mission Statement Pieces Together

Example Mission Statement

Our goal is to provide the best assistance possible to help
people starting their own business.

Our products including business self help and motivation are
there to help people's businesses expand.

Our location is on the Net - our products are all downloadable
from our web site with just a few clicks of your mouse.

Our target market is specific - and our marketing efforts are
starting to pay off, but we are still adding to our marketing
strategies.

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You don't have to work hard because we do it for you. We want you to be a repeat visitor to our website.

We take pride in the feedback that is emailed to us from clients.

Notes

Example Mission Statement

Example Mission Statement

(Using section above without paragraphs 3, 4 and 6.)

Customer/Marketing

Our aim is to assist women just starting small businesses.

Products/Services

We have facts, figures and samples about women currently in business.

Geographic Domain

We have an internet based web site for women.

Products/Service

Our resources help business women become successful.

Notes

Example Mission Statement

Business Philosophy

We are here to get your business successfully started.

Ideas in Technology and Business

We are an Internet based business that started in 1998. We derive pride from the positive feedback we get from clients because we know their importance to the survival of our business.

***Helpful Hint:** Include your businesses mission, the direction you want the business to go, any plans you may have and a slogan if your business has one.*

Example Mission Statement

Business Idea

Our website was built to help people create their own business. We want to make it easy for you to make a good business plan.

Product/Service

We will offer a variety of download options for different types of business plans. We envisage a site where visitors will leave feeling confident they can create the perfect business plan. Our goal is to assist people in achieving success in a business world that's constantly changing.

Executive Summary

This is where you summarize your business's purpose. It should include an outline of your business's aim and objectives. It consists of 7 components:

1. Prelude
2. Product/Services
3. Potential Clientele Focus
4. Niche Status
5. Aims and Objectives
6. Management
7. Finance

1. Prelude

Include information on company ownership, legal status, and if you have products, whether you produce these yourself, or purchase them from another business.

What distribution plans do you have? Who owns the product, you or someone else? What is their ownership ratio?

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Any other relevant information regarding ownership (stockholders for example), and financial (current and future) outlook can also be included in this prelude.

Prelude Example

This internet business started in 1998 to provide an information forum for those wishing to start a business. We have a good rate in doing this, and are dedicated in assisting new businesses achieve success. We are here to help other businesses win!

2. **Product/Service**

What are you selling and what are the advantages of having it? Give detailed information where possible - especially any unique selling points they may have.

Example Products/Services

We sell a variety of books intended to help people become more knowledgeable about setting up a business.

3. **Potential Clientele Focus**

These are the people to whom you are targeting your promotional material.

Example Potential Clientele Focus

Our targeted client has been employed for more than a decade. They are now ready to steer their own ship.

4. **Niche Status**

What is the niche for your business? How did you decide what niche would suit you best?

Example Niche Status

The niche we are targeting is ready to take control of their own business. They have worked to build someone else's business and now it's their turn.

Investigations have revealed that our target niche is ready to take the next step, some of them may have done so but not to any great level of success. They have

the finances to see how we can help them get what they want.

5. **Aims and Objectives**

Set these not only for the present, but also at regular intervals over the next 10-20 years.

Example Aims and Objectives

Our company's target niche is why we work hard at providing good products/services.

12 months from now our downloadable product range will have expanded.

2 years from now our downloadable sites will be completely developed.

5 years from now we will have specific information of use to women intending to get started in business.

6. **Management**

List the names/designations of the key people in your business team. If you wish to do so, include qualification/career summaries.

7. **Finance**

What projects are you currently committed to, and are there any committed financial obligations for future goals? Write out what these are.

Example Finances

Our company requires cutting edge computing systems. We will need to upgrade our existing equipment in order to offer the kind of products/services that we envisage for our company.

Notes

Executive Summary Example 1

Prelude

This internet business started in 1998 to provide an information forum for those wishing to start a business. We have a good rate in doing this, and are dedicated in assisting new businesses achieve success. We are here to help other businesses win!

Products/Services

We sell a variety of books intended to help people become more knowledgeable about setting up a business.

Potential Clientele Focus

Our targeted client has been employed for more than a decade. They are now ready to steer their own ship.

Niche Status

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The niche we are targeting is ready to take control of their own business. They have worked to build someone else's business and now it's their turn. Investigations have revealed that our target niche is ready to take the next step, some of them may have done so but not to any great level of success. They have the finances to see how we can help them get what they want.

Aims and Objectives

Our company's target niche is why we work hard at providing good products/services.

12 months from now our downloadable product range will have expanded.

2 years from now our downloadable sites will be completely developed.

5 years from now we will have specific information of use to women intending to get started in business.

Finances

Our company requires cutting edge computing systems. We will need to upgrade our existing equipment in order to offer the kind of products/services that we envisage for our company.

Executive Summary Example 2

Company Direction

We have created training programs to help people get off to a good start with their new business. When thinking of expansion, we follow what our clients need. The Forward Planning Department are investigating how we can increase our current product range. We want only the best for our clients.

Company Summary

A person creating small businesses is not innovative, but it is timely with the current economic climate.

Our Business Plan is C-Corporation - we think this will work best for everyone concerned with our company.

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Our headquarters are located at: PO Box 830, Denver, CO, USA.

Objectives

Based on current trends and calculations, we expect the company to be in a position to expand in 5 years. Right now, we plan on steering the company into a powerful selling position.

Management Team

CEO/President - S. Murray

VP, Finance - A. Johnson

VP, Marketing - D. Johnson

Between them they hold over half a century of relevant experience.

Business Product Planning

There are currently 8 products in our range and these are of use to anyone starting their own business.

Manufacture and Shipping

The products are in computerized format only can be downloaded over the Internet. Therefore once created, there is no additional manufacture and downloading is the only shipping required. Depending on Internet speeds, delivery will be instantaneous and cost free.

Notes for an Executive Summary

The Executive summary is an overview of what your business is and how it will operate. It is the first thing that anyone reading your business plan will read, and for many of them, the only part of it that they will read. Amongst other things, it sets out the legal identity of your business.

The information in your company's Executive Summary should there be a concise but informative version of the larger Business Plan.

Prelude

Product/Service

Potential Clientele Focus

Niche Status

Aims and Objectives

Management

Finance

Describe the Kind of Business it is.

Name your Products/Services.

What Goals Does your Company Have?

What are your Company's Objectives?

Summarize your Management Team.

**Give an Account of the History of your
Business.**

What are you Main Marketing Tactics?

COMPANY PLAN

This is little more than the basic facts about your company - the who and why of the business.

Make a list of all relevant facts such as:

- Description of the company
- Any accomplishments it may have
- What property it owns
- What assets it has
- Note the company's goals, history, and philosophy as applicable
- Note all legal information such as contracts and company formation
- Where the business is situated
- What is your retail plan?
- Description of the products the company sells
- What proprietary rights it has
- A list of suppliers used by the company

Description of the company

This needs to be a detailed description of your company.

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Wholesale or retail?

Food service?

Why is it fashionable?

Identify your intended market

Products or service?

Accomplishments

Make a list of what your company has achieved - plus an additional list of projects the company is currently involved with.

What property it owns

Make a detailed list of all buildings owned by the company.

What assets it has

Make a detailed list of both assets and inventory the company holds.

Note the company's goals, history, and philosophy as applicable

What are the goals of company and how do you intend to achieve them?

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What timescale do you propose to need in order to achieve these goals?

What's the story of your business, include major and minor achievements?

How does your company operate and why does it have such a philosophy?

Note all legal information such as contracts and company formation

Every contract and agreement that your business is involved with should be listed here.

What is the legal status of your company? Why was this business form chosen? (Any legal papers regarding partnership agreements, etc should be included at this point)

Where the business is situated

Write a description of where your business is situated, and state why you chose this particular site. Has it been a good choice for the company?

What is your retail plan?

What kind of service do you provide, or products do you sell? Describe them here. This is also the place to note any figures based on estimated sales and any comparative research you have carried out on similar services/products offered by your competitors.

Description of the products the company sells

This is the place to give details about each product/service your company sells - what are they, why are they wanted, why are they different to similar products/services offered by other companies, do you give guarantees with your products/services, this is the section for all of this!

Also:

- what makes it different from other similar products/services?
- How much does it cost to produce, how did you come to this figure?
- What production costs are fixed?
- What technology is used in the production of it?
- Does the technology give your business a market edge?
- List the materials used in the production of the product.
- Have you carried out animal testing in product manufacture?

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- Why did you choose this product?
- Is the product likely to result in repeat sales?
- Does the product/service satisfy any human needs?
Which?

What proprietary rights does it have?

What, if any, proprietary rights (such as trademarks, patents, etc) does the company own?

Description of the suppliers used by the company

Where do you obtain the materials required to make your product/service?

Make a list of the financials associated with purchasing the materials (such as discounts, terms, delivery etc).

Give a list of who the suppliers are, where they are located and why you chose them.



COMPANY PLAN NOTES

This is where you put the details relating to the formation of your company.

What type of company is it? (sole, limited, etc)

Make a list of any business licenses your company has.

What zoning requirements does your business need?

What are your business's insurance needs?

Has your company complied with building regulations?

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Has your company complied with health regulations?

Are there any other legal regulations that affect your company and its undertakings? (If so, give details).

List all items that could be subject to copyright laws.

COMPANY PROFILE

This can be used as a company plan if you are only starting a small business. In this you need to include:

- company formation type
- who owns the business
- what the business is named and when it began
- which days of the week, and the times it operates
- describe what the business does
- state where the business is situated
- list any advisors your business uses

MARKETING PLAN

This section deals with how you intend to publicize your products/services. It should give information on the general market description and trends, describe who the company's competitors are, and then go onto the products/services.

For these you need to address what they look like/do, how you price them, what sales/advertising plans you have, how they will be packaged and distributed, what warranties you have on them, what credit policies you have in place, how your customer service plan works, and what happened with the SWOT and marketing test.

You also need to describe your marketing budget in this section.

Marketing Description

This is your blueprint for how you are going to market your products/services. You will need to show evidence of marketing analysis or a SWOT having been carried out, and this section should summarize the findings of that analysis.

Marketing (Trends in the Industry)

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What did your research reveal about the industry your business operates within? Things such as: customer trends, demographics, environmental concerns, etc.

What did your research reveal about the trends within the industry over time - from past to future?

Quick Start: Business Plan Workshop

Why write a business plan?

A business plan enables you to cull your ideas, research, strengths, and weaknesses into an unbiased overview of your potential. Starting a business without a planning is like jumping off a building without a parachute.

Don't feel overwhelmed.

Think of your plan as a means of organizing your goals and strategies for your business on paper. It will give your perspective and provide others the information necessary to evaluate your business. This is especially important if you intend to seek financing from investors or lenders. The plan demonstrates your level of commitment to your business.

For free or low-cost assistance developing your plan, you can seek out:

Local College Resources

Small Business Start Up and Development Centers

Service Corps of Retired Executives (SCORE)

Women or Minority Business Development Organizations

To locate one of these organizations, check the phone book and state and local websites.

For your business plan to be a success, it should be the first step you take toward starting your business.

Cover Sheet

This is where you display your company's name, address, contact information, logo, trademark, and copyright notice.

Table of Contents

Limit this to a one-page listing of the contents of your business plan.

Executive Summary

This is a summary of the core functions of your business.

What is the nature of the business?

What product or service will you offer?

What are your company's goals and objectives?

How are you qualified to operate this business?

Mission Statement:

This is your company's purpose.

Marketing Plan:

This is your plan for promoting and marketing your business.

What makes you stand out from your competitors?

Who are your potential customers?

Is this a retail, wholesale, or service business?

What is your product or service's potential longevity?

What is your target demographic?

Describe your company's environmental factors?

Who are your competitors?

How will you sell your product or service? What will your strongest sales method be?

How will you promote and market your product or service?

Product or Service:

This is where you describe your product or service and the benefits of purchasing it.

Operations:

This is a break down of what it will take to actually run your business from day-to-day.

Who will you employ & what qualifications will they have?

How will your business become profitable?

What is your pricing strategy?

What materials, supplies & inventory will your business need? Where will you get them? How difficult are they to obtain and how much will their costs fluctuate?

Information on Your Business:

This is general information about your business.

What type of business is this (sole proprietorship, partnership, LLC, etc)?

What business licenses do you have? Which do you still need?

What are your zoning requirements?

What are your insurance needs?

Have all applicable health and building codes been complied with? What about other pertinent regulations and laws?

Have all trademarks, copyrights, patents, and licenses been verified for legality and availability?

Financial Plan:

This is a description of your plan for start up financing.

How will you finance your business and where will financing come from?

How will you manage your finances?

What needs to be financed?

Financial Statement:

This is a report of financial information culled from balance sheets, income statements, accounts receivable, accounts payable, debt and repayment schedule, and reconciliation of net worth. Projections should cover monthly statements for the first year and annual statements for the second and third year of operations.

Operating (or Income) Statement:

This is a report of income projections culled from balance sheets, reconciliation of net worth, cash flow explanation, and a break-even analysis.

Appendices:

This is where you include research, testimonials, and miscellaneous documentation.

Business Plan: Table of Contents

Executive Summary

Direction

Objectives

Administrative Team

Product Strategies

Production & Delivery

Mission Statement

Marketing Strategy

Sales Plan

Position

Pricing Structure

Product Strategies

Existing Products

Benefits

Business Plan: Table of Contents

Company Direction:

Sample Plan and Sample Plan's training programs were developed in response to a growing market of entrepreneurs in need of assistance in starting home-based businesses. Sample Plan's market share is growing and we are preparing for unprecedented growth.

Our product line is increasing based on customer feedback. We have developed a series of guides that assists business owners in all aspects of business ownership and operations.

In an effort to continue serving are customers' growing needs, our Research and Development Department is working to further expand our product line.

Company Overview:

While entrepreneurs have always existed in society, we believe that now is the ideal time for small business start-ups.

Sample Plan is a C-Corporation. We believe this is the most effective means of serving Sample Plan's founders and customers.

Sample Plan is located at: PO BOX 1212, St. Louis, MO, 11111.

Objectives:

Sample Plan's objective is to take advantage of growth patterns in sales and customer bases to garner a larger market share.

Administrative Team:

Our administrative team consists of:

Jane Smith, President and CEO

Darla James, Vice President, Finance

John McMurray, Vice President, Marketing

Jane Smith has 23 years experience in leadership and has successfully nurtured three small businesses into profitable corporations.

Darla James has a 20-year accounting background, serving as Finance Director for two Fortune 500 companies.

John McMurray has more than 18 years practical marketing experience.

Product Strategies

Sample Plan offers eight products:

Directory of Business Associations

Directory of Business Building Websites

Directory of Business Opportunities

Business Start Up and Ownership Guide

Early Childhood Education Guide

Motivating Women

Motivating Men

Software for Business

Directory of Business Associations is our primary product which consists of useful directories for entrepreneurs. Business Start Up and Ownership Guide is our secondary product and is filled with useful training programs for entrepreneurs.

Production & Delivery

Our product line is purely electronic. All materials are available for purchase on our website. We have no costs associated with product delivery.

Sample Plan: Mission Statement

Sample Plan's mission is to provide innovative, quality products to assist entrepreneurs with their business endeavors.

We believe our primary responsibility is to our clients and customers. We strive to serve them by:

1. Providing high quality products and services
2. Adhering to a philosophy of treating customers fairly
3. Being viewed as a reliable part of the community

Our commitment to this mission will enable us to be seen as a company that assists entrepreneurs with starting successful businesses. Our customers and suppliers will view Sample Plan as the provider of a great service.

Sample Plan: Marketing Plan

Sample Plan's marketing strategy is to demonstrate and emphasize the positive impact our training materials will have on customers' businesses. Our products allow clients to make the most of their businesses.

Sales Plan:

Our product is a business service product. The target market demographic focuses on entrepreneurs ready to be free from the shackles of working for others. Our strategy includes people who are ready to take the leap.

Included is a listing of our market position, pricing structure, and product margin structure. This list will be reviewed and optimized on a quarterly basis.

Position:

Directory of Business Associations has earned a reputation as the premiere directory for entrepreneurs.

It is unique in its comprehensive information on getting started in business and our ability to repackage and re-market it to a changing demographic. Because of this, it is the #1 business start up guide available today.

Pricing Structure:

Our prices are determined by considering the value of our products to our consumers. Through valuation and evaluating our competitors' prices, we've settled on the highly competitive price of \$39.99.

Sample Plan: Product Strategies

Existing Products:

Upon the signing of a non-disclosure agreement, proprietary information is available to investors.

Sample Plan offers eight products:

Directory of Business Associations

Directory of Business Building Websites

Directory of Business Opportunities

Business Start Up and Ownership Guide

Early Childhood Education Guide

Motivating Women

Motivating Men

Software for Business

Directory of Business Associations is our primary product which consists of useful directories for entrepreneurs.

Business Start Up and Ownership Guide is our secondary product and is filled with useful training programs for entrepreneurs.

Sample Plan began business with its first product, Directory of Business Associations in 1992. Since then, we have introduced six new series.

Benefits:

Home-based business

This is a comprehensive guide to starting a home-based business. It provides assistance in determining the type of business to start and helpful information on running it.

Directory of Business Opportunities

This is a comprehensive guide to determining the business most compatible with your personality.

Directory of Business Building Websites

Directory of Business Associations

Directory of Government Listings

There are hundreds of associations whose mission is to assist entrepreneurs. Available services are limitless.

Motivating Women & Men

How To Series

This is a series of guides that enable entrepreneurs to start, run, and maintain businesses. It assists entrepreneurs with developing their ideas into viable businesses.

Early Childhood Education Guide

This is a complete early education program that provides children and their parents the opportunity to explore adventure learning together. Activity-based learning imparts math and phonics. The program requires only 30 minutes per day, five days per week and they cover pre-K through third grade. Each grade's program is packaged and sold separately.

Our supplemental Fridge Phonics program is geared toward reading development. Parents will be amazed at the reading progress their children make in short time frames.

Pricing Strategy Worksheet

Choosing the correct price for your products is essential to marketing them. This worksheet can be used as a guide.

Cost per Item

Materials cost	
Labor costs	_____
ous	_____
Total	_____

Production Overhead

Utilities	
Depreciation	_____
Vehicles	_____
Miscellaneous	_____
Total	_____

Business Overhead

Advertising & Promotion	_____

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Cost per Item

Professional Services _____

Miscellaneous _____

Total _____

Delivery

Packaging _____

Insurance _____

Postage & Shipping _____

Misc. _____

Per Item Total _____

The estimated cost per item is the sum of all the totals.

\$ _____

2-3 times the price of wholesale cost equals the retail

price. \$ _____

Copy this worksheet before completing it so you will have a blank to refer to in the future.

Marketing Plan Worksheet

This marketing plan is for

I. Market Analysis

A. Target Market

- i. What sector of the market will we be selling to?
 - a) Private Sector
 - b) Wholesalers
 - c) Retailers
 - d) Internet
 - e) government
 - f) Other
- ii. Our means for targeting customers will be
 - a) Pricing Strategy
 - b) Sales Strategy
 - c) Advertising Strategy
 - d) Distribution Strategy
 - e) Customer Service Strategy
 - f) Credit Policy Strategy
 - g) Packaging Strategy
 - h) Warranty Strategy
 - i) Marketing Test

j) Marketing SWOT

k) Other

- iii. What are the projected marketing costs for the coming year?

B. Competition

- i. Describe our competitors
 - a) Name, address, years operating, market share, pricing strategy, products/services
 - b) Name, address, years operating, market share, pricing strategy, products/services
 - c) Which competitors will help us?
- ii. What is the competition level in this market?
 - a) High, medium, low
- iii. How can our company compete?
- iv. What are our strengths and weaknesses?

C. Environment

- i. What economic factors will affect our business?
- ii. What legal factors affect our business?
- iii. What governmental factors affect our business?

D. Product/Service Analysis

- i. Description
 - a) Describe the product or service.
- ii. Comparison
 - a) What are our advantages?

- b) What are our disadvantages?
- c) What improvements can be made?

iii. Other Considerations

- a) How will supplies and materials be supplied?
- b) Additional considerations

E. Marketing Strategy

i. Product Image

- a) What image will we present?

ii. Features

- a) What features will be emphasized?

iii. Pricing

- a) Our pricing strategy is:

- Item cost
- Production Overhead
- Business Overhead
- Delivery
- Wholesale Price equals _____
- Retail Price equals _____

- b) Is our pricing in line with our image?

- c) Will our pricing cover actual costs and leave room for profit?

iv. Customer Service

- a) Which customer services do we provide?
- b) What are our credit terms?
- c) What are our competitors offering?

d)What can we beat our competitors at?

v. Advertising and Promotions

a)What are the good things about our business that should be included in marketing materials?

b)What media formats will we use for promotions?

c) Why did we choose those formats?

d)Are these formats working for our business?

e)If not, what will?

Income Statement Worksheet:

Income

Variable

Expenses

xpenses

Profit (Loss)

Taxes Owed

Balance Sheet: Worksheet 1

Assets Liabilities

Existing Assets

Current
Liabilities

Fixed Assets

Long Term
Liabilities

Other Assets

Shareholde
rs Equity

Balance Sheet: Worksheet 2

Company

Name _____

Date _____

Assets

Liabilities

Current Assets

Current

(Cash)

Liabilities

Petty Cash _____

Accounts _____

Available _____

Payable _____

Accounts _____

Notes Payable _____

Receivable _____

Inventory _____

Interest _____

Short Term _____

Payable _____

Investments _____

Prepaid _____

Federal Taxes _____

Expenses _____

Long Term _____

State Taxes _____

Assets

Liabilities

Investments

Fixed Assets

Buildings

Improvements

Furniture

Vehicles

Other Assets

1.

2.

3.

4.

5.

6.

7.

8.

Self-

Employment

Taxes

Property Taxes

Payroll

Total Liabilities

Net Worth

Proprietorship or

Partnership or

Corporation

Capital Stock

Surplus

Retained

Earnings

Total Net Worth

Total Assets _____ **Total**
Liabilities & Net Worth _____

Total Assets will always equal total liabilities and total net worth.

Sources of Cash Flow Statement

Worksheet:

Sources of Cash Flow

Sales

Loans

Equity Investment

Uses of Cash

Expenses

Start Up Costs

Balance

(Monthly cash –
monthly accounts
payable)

Other Factors

Seasonal

Sales

Returns

Payment Terms

Cash Flow Statement Worksheet 1:

Cash Receipts

Month 1

Month 2

Month 3

Sales

Loans/Notes

Investments

Total Receipts

Disbursements

Salary Expenses

Promotions

Insurance

Disbursements

Cash Receipts **Month 1** **Month 2** **Month 3**

Subtotal

Total Receipts (Less)

Total Disbursements

Cash Flow Statement: Sample Worksheet II

{ Company Name }

Status on { Date }

Category	Estimated
Actual	
1 st of Month Balance	
Cash Sales & Receipts	
Receipts from Credit Accounts	
Loan Receipts	
Other Income	
Total Cash Receipts	
Total Available Cash	
Cash Paid Out	
Wages	
Payroll	
Outline Services	
Office & Operating Supplies	
Maintenance & Repairs	
Promotions	
Vehicles & Travel	

Delivery

Accounting Services

Legal Services

Rent/Lease

Utilities & Telephone

Insurance

Taxes

Interest Payments

All Other Expenses

Subtotal

Principal Payments

Capital Purchases

Start Up Expenses

Escrow/Reserve

Owner Withdrawals

Total Cash Paid Out

Cash Position

Essential Operating Information (not cash flow)

Projected Sales

End of Month Accounts Receivable

Unpaid Balances Due

End of Month Inventory

Total Cash Flow

Income Projection Statement Worksheet:

	The Step By Step Business Plan Guide
Net Sales	
Sales Costs	
Gross Profits	
Gross Profit Margin	
Controllable Expenses	
Salaries, Wages & Payroll	
Legal	
Accounting	
Promotions	
Vehicles	
Office Supplies	
Utilities	
Other	
Total Controllable Expenses	
Fixed Expenses	
Rent/Lease	
Depreciation	
Insurance	
Licensing & Permits	
Loan Repayments	
Other	
Total Fixed Expenses	
Pre-tax Profit (Loss)	73
Taxes	

Income Projection Statement: This is an essential tool for both planning and managing your business. It gives your company a snapshot of its estimable income by month and year.

Net Sales: This is everything you expect to sell in a given month.

Sales Costs: This is the cost of producing and selling your product or service.

Gross Profits: This is the difference between **Sales Costs** and **Net Sales** (Net Sales – Sales Costs = Profits).

Gross Profit Margin = **Gross Profits** divided by **Net Sales** and is expressed as a percentage.

Salaries, Wages & Payroll: This is the total paid out in wages, salary, vacation time, sick leave, benefits, unemployment insurance, and social security taxes.

Legal: This is all incurred legal expenses.

Accounting: This is all incurred accounting expenses.

Financial Plan Notes:

Income Projection Statement- a tool used for planning and managing your business that allows you to preview generated income on a monthly and yearly basis.

Total Net Sales- the total amount in sales you expect to make during a given period of time.

Sales Costs- the total costs of producing a product or service.

Gross Profit- the Total Net Sales minus the Sales Costs.

Payroll- wages plus any employee costs such as unemployment insurance, sick leave, retirement plans, profit sharing, etc...

Business Plan Make Up

The make up of your business plan should include the following:

Cover Sheet

Information about your company: name, location, contact information

Table of Contents

Should included a break down on one page of your entire business plan by section

Executive Summary

A brief summary covering the main points and goals of your business:

What type of business

Your products and or services offered

Company goals and objectives

Any prior business history

Mission Statement

One simple paragraph that defines the reason your business exists; what purpose it serves.

Marketing Plan

Who are your customers?

How are you different from the competition?

What is your target market?

Are you retail or wholesale?

Are you product or service oriented?

Is your target market a long term or short term venture?

What advantages you have over the competition

What is the best avenue to provide your product or service?

How you will promote your business?

Products or Services

A full description of the produces and or services your business will offer.

Operations

You will need to lists how your business will run on a day to day basis and who will be running it.

Your employees and their credentials

Your pricing of services and products

Your inventory, materials and operational supplies needed

How and who your suppliers are

General Business Information

Your company status: corporation, sole proprietorship, partnership, etc.

List all licenses and permits required

List all zoning and health codes that must be met

List all insurance requirements

List all applicable laws and governing regulations

Financial Plan

This is how you intend to finance your set up and maintain the operation of the business. You should include:

What needs to be financed?

Who will manage the finances?

Where the financing will come from

Financial Statement

This is a financial report that shows:

Your balance sheet

Accounts receivable

Accounts payable

Debts schedule

Company's Net Worth

Operating Financial Statement

This statement includes operational financing information. It should show a detailed explanation of your balance sheet, cash flow, net worth, and cost-profit analysis.

Appendices

This should include all charts, graphs, research, and any testimonials from current, past and potential customers.

The Step By Step Business Plan Guide