

## Writing the Business Plan

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

- 1) Description of the business narrative
- 2) Financial Information
- 3) Supporting Documents

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**
    - A. Description of Business
    - B. Marketing
    - C. Competition
    - D. Operating Procedures
    - E. Personnel/Management
    - F. Location
    - G. Goals for 1-3-5 years into the future
  - II. **Financial Data**
    - A. Loan application
    - B. Sources and uses of funds list
    - C. Projected Balance Sheet
    - D. Breakeven Analysis
    - E. Pro-forma income projections (Profit & Loss Statements)
      - a. Three Year summary
      - b. Detail by month, first year
      - c. Assumptions upon which projections were based
  - III. **Supporting Documents**
    - A. Tax Returns of principals for the last three years
    - B. Personnel financial statement
    - C. Copy of proposed lease or purchase agreement for building space
    - D. Copy of licenses and other legal documents
    - E. Copy of resumes of all principals
    - F. Copies of Letter of Intent from suppliers, major customers, etc.

### Samples Plans

One of the best ways to learn about writing a business plan is to study the plans of established businesses in your industry.