



HELP FOR MSIF SMALL FIRMS FUND APPLICANTS HOW TO WRITE YOUR BUSINESS PLAN



Note: Please read these notes before writing your business plan. If you are having difficulties preparing it please don't hesitate to call us. We can't directly advise you on its contents but we can put you in touch with people who will be able to help. You can call the Small Firms Fund team on 0151 236 4040.

Email info@msif.co.uk
visit www.msif.co.uk

- 1. Summary** In brief, say who you are, what you do, how you do it and why there is a market for what you provide. Give your financial forecasts, your resources and your current financial position.
- 2. Business description** Give a brief description and history of your business, including details of ownership /shareholdings and past sources of finance.
- 3. Market analysis** Which specific markets are you aiming at? Give details of your main customers, size of market, what you expect to charge, the quality and service you will provide and your major competitors.
- 4. Product advantages** What makes your product or service better than your competitors?
- 5. Marketing strategy** Give your market share and sales forecasts over the next two years. How will you price, promote and distribute your product? Do you have definite orders or letters of intent saying that people will buy your product?
- 6. Operational aspects** Describe how you will manufacture the product or provide the service. Outline what your financial, managerial and quality control staff will do. What staff will you need?
- 7. Financial information** Give your forecasts for monthly cash flows, profit and loss accounts and balance sheets covering a period of two years. If you are already trading, include the last two sets of yearly accounts and up-to-date management figures.
Your forecasts must be easy to understand and analyse, and you should assume that you will get the funding. If you cannot draw up the forecasts, you should get help from your local Business Link adviser provided by GME or your financial adviser.

The forecasts should be based on your aims and you must take part in preparing them.
- 8. Management** Show the organisational structure of your business. Give details of the skills and background of your most important staff enclosing their CVs. See if you are lacking people with particular skills and say how you will overcome this problem. Give details of the salaries you plan to pay and any schemes to encourage your employees to do well.
- 9. Risk evaluation** Say what the risks and threats to your business are and how you will tackle them.
- 10. Funding** Say how much money you will need for the project, how you will spend it, where you will get it from and on what terms. We can provide up to 50% of the funding you need. The rest of the money must come from new funds introduced into the business specifically for the project. Future profits are not to be considered as new funds, but your funding can come from any combination of sources, including yourself, banks, hire purchase, grants and rent free periods. We will accept costs that include both your fixed capital costs eg premises, vehicles and machinery and working capital eg stocks, wages, overheads etc.

The MSIF Group of Funds is managed by Alliance Fund Managers which is regulated by the FSA in the course of investment business

Merseyside Special Investment Fund
5th Floor
Cunard Building
Pier Head
Liverpool
L3 1DS