Preparing your Business Plan

In partnership with EY.
How to write your business plan?

Nature of the business plan

The business plan is a concise and structured document which represents the action plan from your initial idea to the completion of your project:

• It is a way to identify and prioritize your objectives on the short and medium term
• It aims at demonstrating the feasibility and the viability of your project
• It aims at showcasing your skills in planning and forecasting

Purpose of the business plan

The business plan is a communication and negotiation tool intended to:

• Obtain funding through raising debt or equity
• Negotiate strategic partnerships
• Describe your activity to suppliers and clients
• Attract talented employees
• Deliver a clear and coherent strategic vision to your team

How to draft a business plan?

You must never forget that the business plan is only a step in your business creation process. While drafting your document, you will have to address critical and difficult issues, don’t lie or minimize the difficulties of those matters, it would damage your credibility. An efficient business plan gives a clear picture of all the risks and explains how to minimize them.
Composition of the business plan

Executive Summary
It is a standalone overview of the business describing it in a clear, exciting and effective way. It must be able to be read in 5 minutes.

Company Overview
This section presents a vision, the history and the current status of the business. It also outlines the strategy and mission, as well as the goals and objectives set to realize it.

Products or Services
Presents the key features, technology, benefits, stage of development, intellectual property and competitive advantages of the products or services the business offers.

Market Analysis
Explains the industry trends and drivers, the target markets of the business and assesses the competitive environment.

Management Team
This section presents the organizational structure of the company along with the staff needs. It also includes a presentation of the top management team, with their CVs and roles, and the team history and dynamics. This section should highlight the adequacy of the team’s skills and the objectives of the business.
Operating Strategies
In this section, the operating strategies are laid out: marketing, production, R&D, personnel, administrative and financial strategies.

Critical Risks
Identifies the major internal and external critical risks (financing, market, execution…), and viable plans to address them.

Cash Flow Statement
Plans out cash flows over a projected 5-year period, consistent with the strategies outlined above.

Income Statement
Expose a realistic and attractive income potential of the business activity. This projection has to be detailed monthly for the first 2 years, then annually for years 3 to 5.

Balance Sheet
This section must include a projected balance sheet for 5 years, including working capital and fixed asset requirements and detailing the capital structure of the business.

Funds Required/Used
A clear and concise presentation of the amount, type, timing and use of funds gathered. This section should present a precise timeline with figures presenting the investment plan on 5 years for the business.

<table>
<thead>
<tr>
<th>Section</th>
<th>Significance in the business plan (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Summary</td>
<td>15</td>
</tr>
<tr>
<td>Company Overview</td>
<td>5</td>
</tr>
<tr>
<td>Products or Services</td>
<td>10</td>
</tr>
<tr>
<td>Market Analysis</td>
<td>10</td>
</tr>
<tr>
<td>Management Team</td>
<td>10</td>
</tr>
<tr>
<td>Operating Strategies</td>
<td>10</td>
</tr>
<tr>
<td>Critical Risks</td>
<td>15</td>
</tr>
<tr>
<td>Cash Flow Statement</td>
<td>10</td>
</tr>
<tr>
<td>Income Statement</td>
<td>5</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>5</td>
</tr>
<tr>
<td>Funds Required/Used</td>
<td>5</td>
</tr>
</tbody>
</table>

Download our Cash flow template

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