



✳️ Ulster Bank

Planning for your Business

Laying the foundations for the success of your business

✳️ RBS

Contents

1. Looking forward
2. Summary
A broad picture of what your business will do
3. General details: personal and business
The type of business you want to operate
4. The market
Customers and competitors
5. Management and personnel
Your management experience; the employees you will need
6. Products and services
Your estimated sales and your suppliers
7. Sales and credit terms
Your terms of business with customers and suppliers
8. Marketing plan
How you will attract and keep your customers
9. Premises, plant, machinery, equipment and vehicles
What you will need and how you will pay for it
10. Set-up costs
Running costs in the first year
11. Financing of assets
Beginning to draw up an estimated balance sheet
12. Financial forecast
Estimating your operating profit in the first year
13. Security
You can secure borrowing with property or other assets
14. Appendices
Any additional information you need to include
15. Enterprise Advisers
How Ulster Bank can help you for years to come

Looking forward

If you have a business idea which you're thinking of putting into practice, you now need to work out how to carry it out most effectively. Careful planning helps you highlight opportunities and lets you implement your vision with confidence.

'Planning for your Business' is a practical template designed to assist you in formulating your business plan. While not exhaustive, this template is a useful guide to business planning. If you are seeking finance for a start-up business, it is worthwhile consulting your financial advisor or bank to find out what particular information they require in addition to your plan.

Before you start up your business, you should ask yourself a few basic questions, such as:

- what is my business idea?
- have I set business and personal goals?
- what motivates me to start up my own business?
- does it suit my skills, experience or ambitions?
- are any of my friends or relations in business?
- if so, what do they get out of it?
- is my family behind me?
- am I confident I can cope?

Once you have satisfied yourself on these personal issues, you are ready to ask some practical questions about how your business will work.

This is where we can help. Start by answering the questions on the following pages.

The questions cover your:

- business idea
- target market
- people
- marketing and advertising strategy
- premises and equipment
- setting-up costs and overheads
- break-even analysis

The answers to all these questions form the basic outline of a business plan that will help you in the early days. You'll be able to prioritise action areas, identify opportunities and potential threats and

carefully prepare your strategy. A business plan is also invaluable when analysing financial data – estimating future profits based on predicted sales, or establishing a benchmark against which to measure your performance.

Your initial business plan is not set in stone, however, and you will certainly have to adapt it as your circumstances change. You should also bear in mind that it is only a general guide – it does not tell you how to run your business. We therefore strongly recommend that you take professional advice.

As well as helping you during the birth of your business, we can help you as it develops and grows. To find out more about the full range of business services we offer, call into your local branch and speak to an Enterprise Adviser – a dedicated point of contact for all your business requirements. Or visit our web site at www.ulsterbank.ie/newenterprise

Now answer the questions, prepare your business plan, and lay the first foundations for the success of your business.

Business plan

Business name
Date

Please remember:

You should always satisfy yourself regarding the risks in a business project. Our role as your banker is to assist you with your banking requirements rather than to recommend a particular investment or to advise on the merits of a business venture.

General details

Please tick where applicable.

This business plan has been prepared by:

We are are not customers of Ulster Bank.

Business sector

Please specify:

Primary (businesses extracting raw materials, e.g. fishing, farming, mining etc.)

Manufacturing (businesses involved in producing physical goods, e.g. baking, crafts, textiles etc.)

Construction (the building trade)

Retail (businesses purchasing products to sell on to customers)

Service (consultancy, joinery, plumbing etc.)

Other (might include entertainment, the creative arts, professional sports etc.)

Brief business description

e.g. dairy farm, newsagent, consultancy, laundry.

Type of business

e.g. start-up, purchase of an existing business, franchise.

Trading as

e.g. sole trader, partnership, limited liability partnership, non-profit-making organisation (club, association, charity), limited company, co-operative, other or undecided.

We started plan to start trading on:

Name and address of our solicitor

Name and address of our accountant

The market

It's important to know who your customers are likely to be and who your current and potential competitors are. You should also consider why your customers will deal with you.

Our business will be selling to:
e.g. general public, local/national/multinational businesses,
or local/national government.

We have identified the following specific opportunities:

We anticipate having customers at any one time.

We have have not carried out market research.

Market research means any work you do to understand your customers' needs more clearly. Even if you have a 'feel' for the marketplace, it may be worth confirming your instincts. Using a professional market research agency can be expensive, so you may wish to conduct your own research, either directly (by observing or surveying customers), or by collecting information from other sources (such as media surveys or government publications). Conducting your own surveys can be time-consuming but may also give you valuable insights into the marketplace. Collecting information from other sources might be quick, easy and cheap, but it may not provide the specific information you need. The most important information to find out is what your customers want to buy and how much they are prepared to pay.

We have carried out the following market research:

- Spoken to customers
- Carried out own surveys
- Spoken to competitors
- Carried out other research
- Read recent surveys

We have identified the following competitors:

Fill in the names of your competitors below, then tick all the boxes that apply to them. Then assess your own business in the same way.

	Competitor 1	Competitor 2	Competitor 3	Our Business
Business name				
Low price				
High quality				
Good service				
Good location				
Flexibility Ability to respond to different/changing customer requirements				
Reputation Quality of business 'name'/'image'				
Delivery Speed/reliability in providing product/service to the customer				
Other Please specify				
Other Please specify				

Products and services

Our products/services will be as follows:

Describe your products or services here, in greater detail than you did on page 2.

The estimated selling price of our average product or service is €
 i.e. the selling price of one typical product or one day of your time.

Estimated total **sales** for the year €

Note: You will need to carry this figure forward to the 'Sales' box on page 12.

We have have not taken out a patent or registered a trade mark.

Our main suppliers and sub-contractors will be as follows:

Name	Will supply	Cost per month (€)

Our product/service will be sold through the following channels:

Tick all that apply.

- | | |
|---|---|
| <input type="checkbox"/> Wholesale | <input type="checkbox"/> Retail |
| <input type="checkbox"/> Mail order | <input type="checkbox"/> Personal consultancy |
| <input type="checkbox"/> On our own business premises | <input type="checkbox"/> On customer premises |
| <input type="checkbox"/> Direct line | <input type="checkbox"/> Telesales |
| <input type="checkbox"/> Door to door | <input type="checkbox"/> On the Internet |
| <input type="checkbox"/> Other (please specify below) | |

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Marketing plan

Our business will be promoted by:

Describe the methods of promotion you plan to use, e.g. word of mouth, Golden Pages, local/national press, magazines, direct mail, leaflet drops, posters, radio, TV, Internet, telesales, point of sale advertising and packaging.

In general, our proposed selling prices will be lower than higher than the same as those of our competitors. The reason for this is:

Potential customers will be encouraged to switch to us from their existing suppliers by:

Describe methods by which potential customers will be encouraged to use your goods or services rather than those of their existing suppliers, e.g. unique products, lower prices, introductory offers, 24 hour availability, better local presence, faster delivery, high profile launches, charismatic staff.

Once they are customers, we think people will keep buying from us because:

Explain the advantages your business offers which will make your customers keep coming back to you, e.g. good customer care, generous refund policies, top quality products, regular customer reviews, investment in new products, highly trained staff, hi-tech operation, the personal touch, good deals for existing customers, price guarantee.

We do not have a research and development budget

We plan to spend € research and development in the following areas:

Set-up costs

Our set-up costs for the first 12 months of business will be:

Deposit on premises

€

Refurbishment

€

Equipment

Get this figure from page 9.

€

Professional fees

E.g. charges made by solicitors, accountants and consultants.

€

Stationery

€

Promotion and advertising

€

Initial stock

€

Connection to utilities (phone, gas etc.)

€

Patent or trade mark

A patent is a legal protection to prevent copying of a product or process design.

A trade mark is a protected name or logo. Each must be registered with the appropriate agency.

€

Other (please specify)

€

Other (please specify)

€

Other (please specify)

€

Total

Note: you will need to carry this total over to the 'Set-up costs' box on page 12.

€

Financing of assets

Our business will be financed by the following means:

<p>Personal cash Cash is savings or investments you can access quickly. Above and below, please explain where any personal and other cash is coming from, e.g. if it is yours, if it is borrowed and if so from whom.</p>	€	<input type="text"/>	Source of personal cash	<input type="text"/>
<p>Other cash</p>	€	<input type="text"/>	Source of other cash	<input type="text"/>
<p>Business overdraft A borrowing facility on a 'cheque' account designed to meet the short term requirements of your business.</p>	€	<input type="text"/>		
<p>Business bank loans A fixed sum borrowed from a lender which is repayable over/within a fixed period of time or on an agreed date.</p>	€	<input type="text"/>		
<p>Business hire purchase/leasing Alternatives to outright purchase for funding assets/equipment. May require a deposit followed by regular instalments.</p>	€	<input type="text"/>		
<p>Grants</p>	€	<input type="text"/>	Source	<input type="text"/>
<p>Other funding</p>	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
	€	<input type="text"/>	Source	<input type="text"/>
<p>Total</p>	€	<input type="text"/>		

We will will not use business profits to repay any loans we require.

Where loans will not be repaid from business sales/profits, the source of funds for repayment will be:

Financial forecast

Sales

The estimated total value of our sales for the first 12 months of business will be:

Cost of sales

The cost incurred every time a unit is produced. Includes things like raw materials, stock and packing.

Estimated gross profit
(‘A’ - ‘B’)

Costs

Estimate the running costs for each of the following areas for the first 12 months of business:

Set-up costs

Figure from page 10.

Other operating costs

Employee salaries
Total figure from page 5.

Other wages

Wages of those not shown on page 5.

P.A.Y.E./Employees’ PRSI contributions

PRSI is payable on wages and salaries. As a rough guide, you can estimate that PRSI contributions will be about c. 7% of your total salary bill, but the exact calculation is complicated. For further information contact Revenue Commissioners and check their website on www.revenue.ie

Pensions

Bank charges

The charges made by a bank for its services.

Costs of finance

Interest charged by banks and other lenders.

Insurance

Rent and rates

Gas, heating, electricity and phone

Maintenance of premises
e.g. roof repairs, light bulbs etc.

Postage

Professional services

Promotion and advertising

VAT payments

Other

Total expenditure

Estimated Operating Profit/Loss after 12 months
(‘C’ - ‘D’)

Profit available for distribution by drawings/dividends.

€ Total ‘A’ (from page 6.)

€ Total ‘B’

€ Total ‘C’

€

€

€

€

€

€

€

€

€

€

€

€

€

€

€

€

€ Total ‘D’

€

Security

We are willing are not willing to use personal assets as security for business borrowing.

If you will be applying for borrowing, please provide the information below.

	Value (€)	Outstanding mortgage (€) The amount of the loan outstanding against the relative property as detailed in the most recent statement issued by the lender.
Personal residence		
Other property (state details)		
Other property (state details)		
Shares		
Cash deposits		
Life policies Some life policies with an investment element (i.e. not simple life cover) can be cashed in early to the life assurance company for their surrender value.		
Other (state details)		
Total	€	€

Appendices

You will almost certainly need to provide:

- CVs of yourself and your key staff. Include business histories, be honest about any failures and say how problems were overcome
- a 12-month cashflow forecast. Bear in mind that there may be seasonal fluctuations. If you give credit, then you should anticipate delayed payment which should be reflected in the cashflow. In effect, this means that you may have to reduce the total sales figure used in this plan

If a loan or funding is required, you will need to include:

- bank statements
- names of any existing lenders or funders
- details of existing loans or funds: types, amounts, payments etc.

There are several other appendices with which you may wish to improve your plan:

- market research results
- further details of advance sales
- testimonies and independent reports
- patents or other intellectual property rights
- technical information
- documents supporting your assumptions

You will need to make clear any assumptions on which your forecast is based, and show that you have fully assessed the risks and have made contingency plans. Some lenders or funders will ask for a 'sensitivity analysis'. This shows your forecast under, say, three different assumptions: the worst case, your most probable sequence of events, and the most optimistic case.

The kinds of risks which you should consider here are:

- is there always enough capital available to keep your business running?
- what if you don't achieve the estimated number of customers and level of sales?
- what if you can't get credit terms?
- are you relying heavily on a few key customers?
- what happens to your cashflow if some of your customers are either slow to pay or become bad debts?
- have you checked the credit worthiness of your prospective customers?
- if you suffer an illness or disability, how will your business cope?
- what if interest rates rise significantly?
- are there any other factors to which your business may be particularly sensitive?

You may also need to prepare a Projected Profit and Loss (P&L) Account for your lenders or funders.

Enterprise Advisers

To give your business the best chance of success, you need your bank to work with you closely. That's why, when you join forces with Ulster Bank, you'll be assigned an Enterprise Adviser – a dedicated point of contact .

Enterprise Advisers are trained to understand your business needs; and are dedicated to helping you run your business. They also understand that your time is precious and are happy to come to your place of work if that is more convenient.

Your Enterprise Adviser can also offer you:

- fast and consistent lending decisions
- a complete and clear list of our competitive charges
- a financial advice and support service that's finely tuned to meet your individual business needs
- award-winning levels of service and a good business relationship

- a competitive and comprehensive range of business banking services, covering your day-to-day needs, loans, credit cards, savings... you'll find everything you need
- information on how our products and services work

More help and advice

If you would like to know more about any Business Banking service from Ulster Bank, call into your local branch and speak to an Enterprise Adviser. Or visit our web site at www.ulsterbank.ie/newenterprise

Why not find out more today while it's still fresh in your mind?
Just phone or visit your local branch and talk to one of our **Enterprise Advisers** – the dedicated point of contact for all your business banking requirements. Or visit our web site at www.ulsterbank.ie/newenterprise

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