

# Starting a Business

*Things to think about when setting up in business*

**What Do You Want From Your Business?**

**What Will Your Business Do?**

**What Will Your Business Achieve in Year 1?**

**What Legal Requirements Apply and How Will You Meet Them?**

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**What Staff Do You Need?**

Role	Cost	Experience	Skills

**What Premises Do You Need?**

Location	Type / Size	Cost

**What Is Your Target Market?**

**Who Are Your Customer Groups?**

**How Many Customers in Each Group Will You Win?**

**How Much Will Customers in Each Group Spend?**

**How Will You Sell to Customers?**

## Who Will Be Your Competitors?

Who	How Compare	Their strengths	Their Weaknesses

## How Can You Improve on Your Competitors?

## What Does the Customer Get of Value to Them, Different From Competitors?

### How Will You Calculate Your Prices?

### How Will Your Prices Compare With The Competition?

Product / Service	Your Price	Competitor Price

### What Market Risks Have You Identified and How Can You Mitigate Them?

### What Equipment and Resources Do You Need?

<b>What</b> (e.g. IT, Office Furniture, Telephone, Vehicles, Equipment)	<b>When</b>	<b>How Funded</b>	<b>Cost</b>

### What Legal Structure Will You Choose?

### What Business Name Will You Choose?

### Who Are Your Suppliers and What Are Their Credit Terms?

## How Much Money Will You Need To Start-Up?

Expense	£
Information Technology	
Telephone & Broadband	
Equipment	
Stock	
Tools	
Vehicles	
Professional Fees	
Insurance	
Rent / Rent Deposit	
Refurbishment	
Stationery	
Marketing	
Consumables	
Licences	
Training	
Association Fees	
Recruitment	
Wages / Salaries	
Security / Health & Safety	
Utilities	
Business Rates	
Other	



<b>Profit and Loss Forecast</b>	<b>Mth 1</b>	<b>Mth 2</b>	<b>Mth 3</b>	<b>Mth 4</b>	<b>Mth 5</b>	<b>Mth 6</b>	<b>Mth 7</b>	<b>Mth 8</b>	<b>Mth 9</b>	<b>Mth 10</b>	<b>Mth 11</b>	<b>Mth 12</b>	<b>Total</b>
<b>Estimated Sales</b>													
<i>less Variable Costs</i>													
<b>Gross Profit (sales less variable costs)</b>													
<b>Gross Margin (gross profit ÷ sales x 100)</b>													
<i>Salaries / Wages</i>													
<i>Premises (rent, rates, utilities)</i>													
<i>Telephone &amp; Broadband</i>													
<i>Printing, Post, Stationery</i>													
<i>Marketing &amp; Promotion</i>													
<i>Bank Charges</i>													
<i>Professional Fees</i>													
<i>Insurances</i>													
<i>Equipment and vehicle leasing</i>													
<i>Other</i>													
<b>Total Fixed Costs</b>													
<b>Net Profit (gross profit less fixed costs)</b>													
<b>Net Margin (Net profit ÷ sales x 100)</b>													
<b>Annual Break-even Sales (Fixed costs ÷ Gross Margin)</b>													



<b>Cashflow Forecast</b>	<b>Mth 1</b>	<b>Mth 2</b>	<b>Mth 3</b>	<b>Mth 4</b>	<b>Mth 5</b>	<b>Mth 6</b>	<b>Mth 7</b>	<b>Mth 8</b>	<b>Mth 9</b>	<b>Mth 10</b>	<b>Mth 11</b>	<b>Mth 12</b>
<b>Income</b>												
<i>Cash from Sales (incl. VAT)</i>												
<i>Cash Received from Debtors</i>												
<i>Loan</i>												
<i>Other</i>												
<b>Cash Receipts</b>												
<b>Cash Available</b>												
<i>Salaries / Wages</i>												
<i>Premises (rent, rates, utilities)</i>												
<i>Telephone &amp; Broadband</i>												
<i>Printing, Post, Stationery</i>												
<i>Marketing &amp; Promotion</i>												
<i>Bank Charges</i>												
<i>Professional Fees</i>												
<i>Insurances</i>												
<i>Equipment and vehicle leasing</i>												
<i>Other</i>												
<b>Total Expenses</b>												
<b>Income-Expenditure</b>												
<b>Cash Opening Balance</b>												
<b>Closing Cash Balance</b>												



## Summarise Your Business

<b>Product</b> What is it & what benefits does it provide?	
<b>Price</b> What value to your customers?	
<b>Promotion</b> How will create awareness & interest?	
<b>Packaging</b> What will your product / premises look like?	
<b>People</b> Who will be your team / suppliers?	
<b>Place</b> Where will you sell from?	
<b>Processes</b> What systems & standards will you employ?	
<b>Positioning</b> Where will you position re your competition?	
<b>Profit</b> How much money will you need/make?	

## Action Plan

To Do	By When

**Not an exhaustive list and not all items apply to all businesses.** While every effort is made to keep this information as accurate as possible it is for general guidance only. The company makes no warranties about the accuracy, reliability or completeness of this information. The information in this document is for general guidance only and is not designed to provide legal or financial advice.