

Business Plan Essentials

In the Equity Gap process the first stage (after a conversation with a member) is to submit a business plan.

This plan will be reviewed by our members at one of our monthly meetings. It will be used to decide if it is a sector that interests us, the returns are suitable and the opportunity meets our criteria.

The following points are those that we would normally expect to have included in the business plan. They are not in any particular order and are not comprehensive. If headings are unsuitable for your business ignore it, if there is a heading missing please feel free to invent one and feel free to combine information under one heading.

- What problem are you solving
- Have you tested the market place
- What size is the market
- Have you discussed product / service with potential customers
- Business Model
- Revenue, customers and expansion
- How will value be added

- What is your Competitive Advantage / Unique Selling Point

- Key Management
 - Who are they
 - What skills do they bring to business
 - What investment do they have
 - What management skills are needed

- Key external relationships

- Intellectual Property Rights
- High level financials
 - Previous years trading
 - Forecast for the next 3 years
 - Key assumptions
 - Cash flow

- Details of previous funding rounds
- How much Investment are you seeking?
 - in total
 - What will it be used for
 - What other sources of investment are involved
 - Can it be staggered
 - How much are you investing
 - Your picture of the Share value

- We are lending you money by buying shares.
 - How will our investors make their Exit?
 - when
 - what do you think the gain will be
 - Based on what logic?

Further Information on 07836 355 951 or 0131 478 9351 or email him on jock@equitygap.co.uk