Basic Business Plan?

5.1 Types of Organisation/Activity

There are a number of different forms that social enterprises can take, they include:

- **Credit Union:** a financial co-operative to help people save and borrow money
- **Community Business:** a trading organisations set up, owned and controlled by the local community and which aim to be a focus for local development and ultimately create self-supporting jobs for local people
- **Co-operative:** housing co-op, workers co-op and new generation agriculture co-operatives.
- **Development Trust:** an economic regeneration organisation that undertakes different regeneration activities take place. Activities include building and managing workspace, providing sport and recreation facilities, running childcare centres, promoting community development, carrying out environmental improvements, preserving and refurbishing local buildings, running training programmes, supporting small businesses, and setting up community enterprises.
- Employee-owned business**:** the common feature of all successful employee-owned businesses is an ownership culture.
- Social Enterprise**:**.
- Social Firm**:** a business where at least 25% of the staff have a disability or other disadvantage and which makes at least 50% of its income by through trading.
-

Our Investment Grant process is open to the broad spectrum of social enterprise ideas.

5.2 Covering Page
The covering page should include:
- Project Title
- Lead Applicant details: name, address, telephone numbers (day and evening) as well as e-mail address.

5.3 Summary

This should cover all aspects of the plan included in the remainder of the document. Contents of this section should clearly relate to the contents of the rest of the document and there should be no information in here that is not included elsewhere.

5.4 Background

This section should give an overview of the background to the project. This might include: a description of the issues facing the geographic or thematic community which the project is based within; the legislative issues which are pertinent; reference to reports/research/policy statements relating to the field, and; relationships with agencies operating in the area.

5.5 Leadership

This should give a summary of the key people leading the application. There should be no more than three key individuals noted. The summary should include: their key achievements in the field of social entrepreneurship; their key employment achievements, and; any personal difficulties which they have overcome to make these achievements. Additionally, you should outline the proposed legal structure/ governance of your project in this section.

5.6 Mission and Objectives

The mission statement should be a concise summary of your overall aims for the idea. For example, the Scotland unLTD mission statement is: "Scotland unLTD is a key and leading organisation in the field of social enterprise. We are the catalyst for the development of a new layer of *community* leadership. We identify potential community leadership for social enterprise; resource their ideas, and; nurture and support those leaders so that they can develop their ideas to fruition."
Following on from that we have three key objectives:
- "To resource and support *emerging social entrepreneurs*
- To resource and support *rising social entrepreneurs*
- To ensure that a learning environment for social entrepreneurs at all levels is developed"

For some organisations, it is important that objectives are given specific, measurable and timescaled targets. For our purposes, we will happily look at that in this section or in the following section.

5.7 Product or Service

This section should specify the product or service which is to be developed. The product/service should be broken down into its constituent parts. For example: "AnyTown Workspace will offer flexible office/workshop accommodation to small businesses. Aspects of this service will include:
- The provision of 10000 sq. feet of office space to small businesses

- The provision of 10000 sq. feet of workshop space to small businesses
- The provision of business services to small businesses"

Once the summary has been outlined, each constituent part of the product/service should be broken down further, e.g.:

"The provision of business services to small businesses in AnyTown would include:

- Provision of word processing
- Provision of call handling
- Photocopying/binding/mail services
- Reception services"

It would be helpful if targets and timescales were allocated to each sub-product, e.g.:

"Provision of word processing: It would be expected that 6 companies per week would require a total 100 pages of word processed material".

These products/services should relate to the objectives and mission of the idea. Once the products and services are defined and targets allocated, that should inform the element of the plan relating to staffing and resources required to set it up. It should also inform how much income will be generated and by when for the project.

5.8 Market Analysis

The section should cover a thorough look into why these products and services which you plan are needed. Taking each product in turn, this section should address:

- A statistical analysis of why you belief the products/services are needed. You should include any market research you have completed.
- An analysis of any competitors
- A summary of the pricing policy for your products/services and an explanation of how it has been arrived at
- Examples of how this idea has worked elsewhere. You could outline both the successes and failures you have learned from

5.9 Social, Environmental and Economic Impacts

Taking each issue in turn, please specify the positive impacts that your idea will have on each of the following issues: social, environmental and economic areas. Each of these is as important to Scotland unLTD as the commercial issues outlined earlier.

- Social Issues: how the project will address isolation, social exclusion or other social issues that affect your community
- Environmental Issues: how your project will take into account energy conservation; waste minimisation and positive environmental management issues
- Economic: please outline any job creation, company formation, development of trading activity which would result from your project

7.10 Operations
The operations section should deal with: staff; premises; other resources required for the project. It should also give an overview of a time plan for project outputs. Taking each in turn:
- Staff: outline the staff required, their job remits and salary requirements.
- Premises and Resources: please specify the premises and other resources required. This might include initial office set-up equipment as well as IT equipment.
- Time Plan: The time plan should outline the major stepping stones for the project over its first three years. This might have the following format:

By Which Month	Key Tasks/Outputs	Key Staff
2004		
March		
June		
September		
December		
2005		
March		
June		
September		
December		
2006		
March		
June		
September		
December		

5.10   Finance
We would like a three year income and expenditure projection and three year cash flow projection. You should make the assumption that you will receive the following finance from Scotland unLTD: Y1 - £20k; Y2 £16k; £12k. These would be payable in two installments in January and May of each year.
Income & Expenditure Projection example:

Income/Expenditure Projection	2004 (Jan-Dec)	2005 (Jan-Dec)	2006 (Jan-Dec)
Expenditure			
Staff Costs (incl.NI/Pensions)			
1. Staff 1			
2. Staff 2			
3. Staff 3			
4. Staff 4			
Other Costs			
5.IT Equipment Hire			
6. Office rental			
7. IT Support - Website			
8. Telecomms			
9. Stationery			
10. Marketing			
11. Events			
Total Costs			
Income			
12. Scotland unLTD Grant			
13. Grant 2			
14. Grant 3			
15. Product 1 Income			
16. Product 2 Income			
17. Product 3 Income			
Total Income			

Income minus Expenditure

For each entry made, it is important for you to provide a note, in a separate table, describing how the figure was calculated. For example:

1. Staff Member	Salary costs including NI @ 11% and pension @ 6% based on: £20k; £21k; £22k per year

We also require a three year cash flow projection, example of page 1 of as follows:

Expenditure 2004 Staff Costs (incl.NI/Pensions)	Jan	Feb	March	April	May	June	July	August	Sept	Oct	N
1. Staff 1											
2. Staff 2											
3 Staff 3											
4 Staff 4											
Total Staff Costs											
5.IT Equipment Hire											
6. Office rental											
7. IT Support - Website											
8. Telecomms											
9. Stationery											
10. Marketing											
11. Events											
Total Expenditure											
Income											
12. Scotland unLTD Grant											
13. Grant 2											
14. Grant 3											
15. Product 1 Income											
16. Product 2 Income											
17. Product 3 Income											
Total Income											
Opening Balance											
Closing Balance											