

# BUSINESS PLAN CONTENT

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CLARITY IS IMPORTANT FOR YOUR BUSINESS PLAN -  
ALWAYS VIEW IT FROM AN INVESTOR'S POINT OF VIEW,  
THEY KNOW NOTHING ABOUT YOUR BUSINESS AND THEY  
ARE APPROACHING IT FOR THE FIRST TIME.

**Richard Ballard,**  
Zero Carbon Food



**Zero Carbon Food**

£580,810 raised from 482 investors

# OVERVIEW

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As part of your application for a listing on CrowdCube you are required to submit a business plan, slide deck or investment memorandum. This is for two simple reasons:

- 1) It helps us assess how ready for investment your business is
- 2) Some investors will request a business plan so you need to be prepared

This document is designed to help you compile a business plan that will, based on our experience to date, satisfy the vast majority of investors. The plan doesn't have to answer all questions - it ideally provides an initial hook (in the Executive Summary) and then answers sufficient questions for a potential investor to say:

*"OK, I'm interested. Now tell me more about..."*

Ensure you have done your research and can provide answers to the majority (if not all) of the points overleaf. Business plans about ideas which have not been fully researched and/or are a pre-revenue are less likely to receive investment.

Make sure your plan looks professional and represents you, your business and your brand well.

It is important that if you make a claim you have the evidence to back it up. For example, if you say the market is worth £5bn per annum, provide a link to a reputable source such as a MINTEL report or piece in the Financial Times. Similarly, if you say your product does X and the competitors doesn't, you need to provide a link to their features list showing this to be accurate.

If you don't provide evidence people may doubt the validity of your whole pitch. Please remember that whilst we will check and request references for all claims in your pitch text, CrowdCube does not check facts and figures in business plans so the onus is on you to ensure that everything is fair, clear and not misleading.

Business plans can be requested by any registered member of CrowdCube via the request button on the pitch page. If you receive a message from CrowdCube stating that an investor has requested a business plan, it's in your best interest to email them as soon as you can with the business plan attached and a suitable message.



POWERPOINT IS CERTAINLY THE PREFERRED METHOD OF VISUAL REPRESENTATION. IF USING A WORD DOCUMENT, IT SHOULD BE WELL PREPARED, NOT SET OUT LIKE AN EMAIL, AS THIS LOOKS COMPLETELY UNPROFESSIONAL.

# EXECUTIVE SUMMARY

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- Don't make it too long - ideally one page (this section is just the hook)
- Use plain English - understandable to non-technical readers
- Don't include items which aren't expanded upon further in the main body of the plan. This is effectively a summary of the key content and message
- Unless there is indicative proof already, don't make unrealistic claims as to market penetration - the plan should be achievable
- Do include headline summary financials - investors want to assess how big the business is and how big it could become

## PRODUCT/SERVICE/CONCEPT

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- The initial paragraph(s) should identify what the business does in simple terms, with a more in-depth assessment (including some technical content) following
- Assume the reader has no prior knowledge of your sector, business, product or service. Use layman's terms to clearly and simply explain what it is or does
- Remember that investors will not necessarily 'get it' or will be sceptical, hence providing proof of your statements made is essential
- List USPs (Unique Selling Points) along with some narrative, or state what is distinctive
- Is there any Intellectual Property (IP) or will any be created?

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IS THIS BUSINESS CREATING A BREAKTHROUGH TECHNOLOGY  
AND/OR PROVIDING AN OFFERING WHICH WILL DISRUPT THE  
CURRENT MARKET?

Crowdcube Investor

# MARKET

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- The reader may not have knowledge of the market size, segment, segment growth and customers. These will need to be covered to some extent
- Identify the competition, who owns them and how their product/service/ concept differs (material points only) and how they may react
- Be clear on your target customers, the routes to market, how they are going to be exploited, in what order and how much spend is being allocated to each

## SITUATIONAL AUDIT AND KEY OBJECTIVES

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You should usually include:

- A current situation SWOT analysis
- Identify key objectives - within five years
- Exit strategy must be a considered statement if included

## PEOPLE

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- Include a summary of the key skills/experience of the founder(s) and any key employees. Include CVs of the founders and core team in the Appendix
- Identify what role(s) the founder(s) will have and where recruitment may be needed in areas where skills are lacking, even if this may not be until several months in the future
- Clarify how the skills and experience of the founder(s) will benefit the business going forward

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DOES THE BUSINESS HAVE THE RIGHT TEAM - TO NOT ONLY CREATE THE PRODUCT/SERVICE BUT ALSO DELIVER THEIR BUSINESS PLAN AND HIT THEIR FINANCIAL FORECASTS?

# FINANCIALS

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- Include an explanation of your Financial Forecasts
- Include the basic assumptions with a short narrative as the investor will want to know they are reasonable
- Identify the investment amount, date required and where the investment is being utilised (e.g. any large items of CAPEX)
- Identify the preferred method of investment (i.e. debt, equity or a mix)
- Be clear on the peak funding requirements of the business and if other funding (bank, Enterprise Finance Guarantee, grant etc.) has already/will be sourced
- Identify if the founder(s) have made a financial investment and if they will be investing further

## Top tip:

Be as concise as possible. Even if it sounds nice, fluff gets you nowhere, wastes space and investor's time.

**Michael Wilkinson**, Head of Equity Investment at CrowdCube

# WHAT NEXT?

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Ready to set the world alight? If your Business Plan is ready and you've been through our Financial Forecast Standards guide, start your pitch application at [www.crowdcube.com/my-pitch](http://www.crowdcube.com/my-pitch).

If you've already submitted your application and have any queries, please call us and we'll put you through to the right person to help.

**Contact the team for more information:**



[support@crowdcube.com](mailto:support@crowdcube.com)



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