

Appendix 16: Sample Business Plan

Stanislaus National Forest Campground Concession Business Plan

**Name of
Company:** _____

Address: _____

City: _____ **ST:** _____

Zip: _____

**Company
Contact:** _____

Phone: (____) _____

Part I: The Business

1. Purpose and Goals:

- A. What is your purpose in pursuing this business?

- B. Define your business goals for the next year and what you foresee five years from now:

2. Description of the Business:

This section should describe the nature and purpose of your company, background on your industry, and what opportunities you see for your services.

- A. Brief description of the business:

- B. Briefly describe your knowledge of this industry:

- C. List the products and services you will provide:

3. Legal Structure:

There are several ways in which your business can be legally organized.

- A. How is your company legally organized? (Sole Proprietorship, General Partnership, Corporation "C" Corp or "S" Corp, Limited Partnership, Limited Liability Company [LLC], other)

- B. Why is this legal organization most appropriate for your business?

- C. Does your operation require a state registration number? *YES* ___ *NO* ___.
(If "Yes," include a copy of the registration in the supporting documents.)

Include any appropriate information, including shareholder or partnership agreements, in the supporting documents, and complete the following list of owners:

Name	Address	SSN	% Ownership

4. Location of Your Business:

Describe the planned geographical location of the business and discuss the advantages and disadvantages of the site location in terms of wage rates, labor availability, closeness to customers or suppliers, access to transportation, state and local taxes, laws, and utilities. Describe your approach to overcoming any problems associated with the location.

- A. Planned geographical location:

- B. Discuss advantages or disadvantages of the site location:

- C. Describe your approach to overcoming any problems:

5. Market and Customers:

The purpose of this section is to present sufficient facts to convince the evaluation team that your service has a substantial market and can achieve success in the face of competition. Discuss who the customers are for your service. Where are the major purchasers for the service?

- A. Describe your anticipated target market (e.g., age, income, hobbies, regional, national, international):

- B. Describe the size of the current total market and potential annual growth:

- C. Discuss your advertising campaign in terms of how, when, and where you will advertise and estimated annual cost:

6. Competitive Analysis:

Make a realistic assessment of the strengths and weaknesses of your competitors. Compare the competing services on the basis of image, location, price, advertising, and other pertinent features. Discuss your key competitors and explain why you think that you can capture a share of their business. Discuss what makes you think it will be easy or difficult to compete with them.

- A. Identify your key competitors:

- B. Discuss their strengths and weaknesses.

- C. Compare your product or service on key areas. For each area of comparison, rank yourself and your selected competitors on a scale of 1 (high) to 5 (low). Remember: no ties.

Area of Comparison	Competitors				
	You	A	B	C	D
Image					
Location					
Price					
Advertising					
Service					
Uniqueness					
Other					

- D. Why do you think you can compete with your competitors and capture a share of the market?

7. Management:

The evaluation team is looking for a committed management team with the proper balance of technical, managerial, and business skills and experience that supports your proposal. Be sure to include complete resumes for each key management member in the supporting documents section. (Use additional pages and attach as necessary.)

- A. List owners and key management personnel and their primary duties. If any key individuals will not be on board at the start of the venture, indicate when they will join the staff.

- B. Discuss any experience when the above people have worked together that indicates how their skills complement each other and result in an effective management team.
- C. List the advisors and consultants that you have selected for your venture. Capable, reputable, and well-known supporting organizations can not only provide significant direct and professional assistance, but also can add to the credibility of your venture.

Accountant _____

Attorney _____

Banker _____

Insurance Broker _____

Advertising _____

Others _____

8. Personnel:

Explain how you plan to recruit, develop, and maintain your workers. List the number of employees you will have, as well as their job titles and required skills. (Use additional pages as necessary.)

- A. Identify essential employees, their job titles, and required skills:
- B. Identify the source and your plan to recruit essential employees:
- C. Discuss any training or retraining that you plan for your employees. Also, discuss any necessary certification (e.g., first-aid) or recertification necessary for your operations:

Applicant is required to submit all items requested below. Failure to receive these items could adversely affect the evaluation of the applicant's proposal.

Part II. Financial Data

- _____ Monthly Cash Flow Projection
- _____ Start-Up Income Projection – Discussion Attached

Part III. Historical Financial Reports for Existing Business

- _____ Balance Sheet (past three years)
- _____ Income Statement (past three years) – Form Attached
- _____ Tax Returns (past three years)
- _____ Current Credit Report from Major Credit Bureau
(Credit Reports can be obtained by calling 1-800-685-1111)

Part IV. Supporting Documents

- _____ Personal Resumes of Business Owners
- _____ Personal Financial Statement of Business Owners
- _____ Bank or Investor Letters of Intent to Finance Operations
- _____ Copies of Pertinent Existing Permits, Licenses Applicable to
Your Business

START-UP INCOME STATEMENT PROJECTION

Income Statements, also called Profit and Loss Statements, complement balance sheets. The balance sheet gives a static picture of the company at a given point in time. The income statement provides a moving picture of the company during a particular period of time.

Income projections are forecasting and budgeting tools estimating income and anticipating expenses in the near to middle range feature. For most businesses, income projections covering one to three years are more than adequate.

While no set of projections will be 100% accurate, experience and practice tend to make the projections more precise. Even if your income projections are not accurate, they will provide you with a rough set of benchmarks to test your progress toward short-term goals. They become the base of your budgets.

The reasoning behind income projection is: Since most expenses are predictable and income does not fluctuate too drastically, the future will be much like the past. For example, if your gross margin has historically been 30% of net sales, it will continue to be 30% of net sales. If you are in a start-up situation, look for financial statement information and income ratios for businesses similar to yours.

Try to understate your expected sales and overstate your expenses. It is better to exceed a conservative budget than to fall below optimistic projections. However, being too far under can also create problems, such as not having enough capital to finance growth. Basing income projections on hopes or unjustified fears is hazardous to your business' health. Be realistic; your budget is an extension of your forecast.

THREE-YEAR INCOME STATEMENT

For those already in businesses: This information can be retrieved from income tax returns or from record keeping.

<u>Revenue</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Net Sales	\$ _____	\$ _____	\$ _____
Cost of Goods (COGS)			
Cost of Materials	\$ _____	\$ _____	\$ _____
Variable Labor	\$ _____	\$ _____	\$ _____
Cost of Goods Sold	\$ _____	\$ _____	\$ _____
Gross Margin	\$ _____	\$ _____	\$ _____
<u>Operating Expenses</u>			
Salaries	\$ _____	\$ _____	\$ _____
Payroll taxes/Benefits	\$ _____	\$ _____	\$ _____
Rent/Mortgage	\$ _____	\$ _____	\$ _____
Utilities/Phone	\$ _____	\$ _____	\$ _____
Vehicles/Livestock	\$ _____	\$ _____	\$ _____
Supplies	\$ _____	\$ _____	\$ _____
Advertising	\$ _____	\$ _____	\$ _____
Insurance	\$ _____	\$ _____	\$ _____
Licenses	\$ _____	\$ _____	\$ _____
Interest	\$ _____	\$ _____	\$ _____
Depreciation	\$ _____	\$ _____	\$ _____
Legal/Accounting	\$ _____	\$ _____	\$ _____
Total Operating Expenses	\$ _____	\$ _____	\$ _____
Net Profit (Loss) Pre-Tax	\$ _____	\$ _____	\$ _____