

## Outline of the DEVELOPMENT PLAN

There exists various ways of drafting a business plan according to the nature of the project, its maturity, the company's life span ...

There are no typical patterns. Nevertheless, a number of elements shall stand in the presentation.

### RESUME

- The résumé is the last part to be drafted.
- A concise and convincing résumé.

### Content:

- Introduction of the company: creation, activities, establishment, organisation, leading team, shareholding, its assets, its performance, its strategies.
- Market nature and evolution.
- Positioning in relation to competition.
- Justifications for the need of development and extension.
- The program, provisional cost and funding (mentioning the wanted funding).
- Financial perspectives for two scenarios, one with the development project and the other without the project.
- The general outline for the realisation of the development program.

### I / Introducing the company:

#### 1.1 Historical background:

- Creation – Historical account.
- Current capital geography.
- Main development stages.
- Current status – growth research.

#### 1.2 Structure and organisation:

- The company's organisation.
- Operational and hierarchical chart organisation.
- Data on staff (staff members per task: D.G (management), Adm. (administrative), Fin (Finance), Manufacture, R (Resources) and D (development), ...)
- Leading team (introduction, remuneration, provisions in terms of shareholding).

#### 1.3 Evolution of the company's operations:

- A detailed account of the company's different activities.
- A technical description of the production tool.
- An account of the set of manufacture costs – matter cost per product and level of overall command over cost price of the product or service.
- Evolution of activities
- Certifications and standardization.

- The strategies developed by the company.
- Constraints and environment.

#### **1.4 The market:**

- Situate the company in its environment.
- The market's size, specific features and trends.
- The market shares and sales estimate.
- The main competitors.
- Assets and advantages in comparison with competition
  
- The marketing strategy.
- Main customers.
- Main suppliers.

#### **1.5 The financial partners:**

- Status in relation to the bank (short/medium/long-term bases) and to other financial institutions.
- Subsidies allocated.
- Origin of quasi-equity capital.

## **II / THE COMPANY'S FINANCIAL SITUATION**

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- Retrospective evolution of results status.
- Books status.
- Appraisal of the company's financial situation and that of its overall indebtedness.
- Assets balance sheet – weaknesses, opportunities – threats.
- List down the major problems encountered by the company in order of importance: their causes, consequences, the envisaged solutions.

## **III / DEVELOPMENT PLAN:**

### **3.1 Development axes:**

- The short term, medium term and long term objectives to attain. Justifications.
- Diversification axes.
- The new development projects.
- The investment policy (Resource and Development, market share, growth ...).
- The policy adopted for profitability and for the improvement of productivity (cost control, opening or closure of workshops, methods perfecting, ...)
- Assets transfer projects.
- Evaluation of development risks (problems and major risks to which the company may be confronted, including the risks related to the sector, to the company and to its staff).

### **3.2 Investment and funding plan:**

- A detailed development plan.

- The realisation plan.
- Investments cost.
- The envisaged financial arrangements.

## **IV / FINANCIAL PROJECTION**

- 4.1 Hypotheses: Level of operation, evolutions ...
- 4.2 Financial results: results accounts (n-2 until n+5 minimum).
- 4.3 The profitability of the development plan: Gross margin, profits, TRI, TRC.
- 4.4 A study of the need in current and provisional working capital.

How will the company manage to refund loans, provisional treasury, are the needs in liquidity sufficient?

## **ANNEXES**

Enclose herewith all additional and useful information to shed more light on the project.

1. The company's capitalisation table.
2. List of subsidiary companies and participations if any.
3. Main leaders' Curriculum Vitae
4. Diagram of the company's operational organisation.
5. The product files.
6. Updated status.
7. Auditor's reports for the last three financial years.
8. Pro forma invoices, prospectus and a detailed description of the installations and hardware.
9. An estimate of the buildings along with fixtures and fittings.
10. A diagram of the machines layout and hardware (précising used and brand new).
11. Miscellaneous:
  - An intermediate account of the books.
  - Commercial documentation.
  - Prospectus, photos ...

