



## Key to using this document (delete once complete)

- **Blue highlighted text** is for you to insert information for your own organisation.
-  TIPS: are ideas and sources of information that might help you.
- **Text in blue** is examples which you may find useful.
-  WHY: is an explanation of why this may be useful to include in the document.

**Photograph?**

**Logo**

**“NAME OF  
ORGANISATION”**

Business Plan

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Document Version: **Version Number**

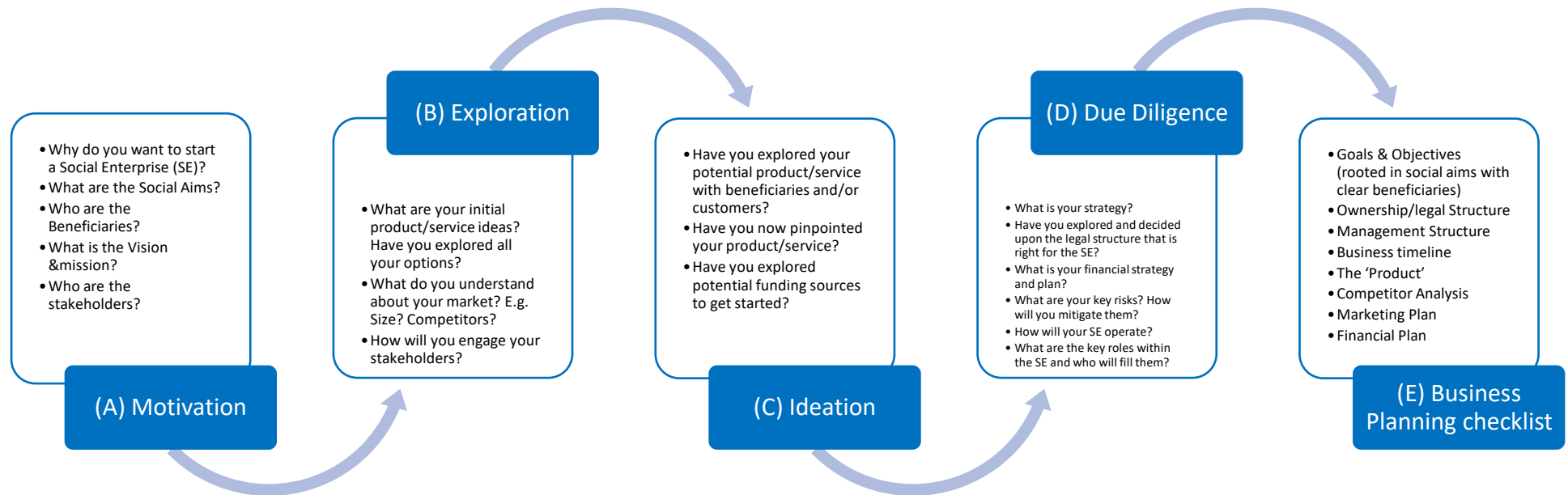
Date: **Date Issued**

Prepared by: **Who prepared it**

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This document is a template for a business plan for a new or existing Social Enterprise. Several core sections are suggested within the template, but of course any Social Enterprise choosing to use the template should feel free to adapt it to suit their needs. This is only a suggested template and others are available from the internet for you to use.

If you're starting up a new Social Enterprise, before jumping into the development of your business plan, consider exploring your thinking by asking yourself some key questions:



Please contact [sedg@tsdg.co.uk](mailto:sedg@tsdg.co.uk) if you would like support and guidance to work through these important questions.



# Business Plan For [Organisation Name]

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## 1. Executive Summary



TIP: This is your best opportunity to make a good first impression. Give a snapshot of what the Social Enterprise does/will do (clarify the social impact that you are aiming to deliver as well as the specific product/service offering that you are planning to offer). Also, provide an overview of where you are now, where you want to go and how you will get there. Complete this section last.

The aim of **insert organisation name** is to **insert purpose as in your articles**.

e.g. Our aim is to tackle isolation in our community through well being and community cohesion projects in the church hall.

The key objectives are:

- **Insert** the impacts you expect to make
- **Insert** and how you intend to
- **Insert** measure the outcomes of your actions
- **Insert**

e.g. Hold monthly events across all age groups and through publicity increase attendance over the year.

Attract 800 people a year to our events in the church hall.

**Insert organisation name** is a **SCIO/CIC/ insert type of organisation structure as appropriate and then explain the structure**

e.g. XYZ is a SCIO with two-tiers. We have a membership of 100 from the DG1 postcode and a Board of Trustees (see appendix 1) elected from the members.

The local catchment population is circa **insert number** and is located in Dumfries and Galloway. **Add in Information about age profile/deprivation/economy**

e.g. The local catchment population is circa 1,500 and is located in Dumfries and Galloway. The area has an average age of 43 years old, and the economy is largely based around self-employment and small retail and tourist businesses. Wage rates are below the national average and there is a high level of deprivation in Town Z. Young people tend to seek employment out with the area.



TIP: The Council's Ward profile will have a range of information that can be used here. **[Click this link for more information.](#)**

**Briefly mention the needs of the population and how you identified these.**

e.g. XYZ conducted a survey in January 2021 (see appendix 2) of the local community and identified overwhelming support for our project. This research is also underpinned by discussions with our members and other surveys we conducted in 2017 and 2019.

In particular, this research identified:

- A need for somewhere for young people to go in the early evening
- For clubs and societies to have a 'home' they feel proud of
- Somewhere to socialize and reduce feelings of isolation
- 'A place where I know my kids are safe'

Now explain what is that you are planning to do about the issues and needs identified by your research.

e.g. XYZ intends to purchase the village hall through an asset transfer as it will give additional facilities beyond those XYZ currently have in the old High School building. Not only does the village hall have a kitchen we can use for café and cookery school purposes, but it has several large spaces that can easily be converted for social gatherings for young people and clubs and societies. A feasibility study was carried out in September 2020 (see appendix 2) and architectural advice has been given (see appendix 4).

A funding stream is available from People's Postcode Lottery and matched funds from Wind Farm monies available to XYZ. In addition, we intend to borrow money from a national funding organisation for social enterprises which we will repay over 5 years from income received from hall usage. In total we will have £75,000 for design and subsequent initial refurbishments (see full projections in project plan in appendix 3)



TIP: Make sure to include impact and outcome measures to assess your progress and if you have been successful (See Section 8 below)

e.g. The level of feelings of isolation amongst people over age 65 (issue) drops (impact). This will be assessed by the community survey of 2022 (measure of outcome).

Outline the issue to be addressed.

What impact do you intend to have on the issue?

How will you measure the outcome of your impact?



TIP: There is an additional resource on impact evaluation: Click [here](#).

## 2. The Business

### Business Details

Business Name	Business Name
Address	Address
Key Contact	Key Contact
Telephone Number	Telephone Number
Email	Email
Legal Status incl. Company/Charity registration number (if applicable)	Legal Status incl. Company/Charity registration number (if applicable)
Date business was set up	Date business was set up
VAT registration number (if applicable)	VAT registration number (if applicable)

### Business Idea

What does/will your business do?

### Social Aims

What are your social aims? Who will benefit (i.e. who are your beneficiaries)? What is the impact you intend to make?

Why is your Social Enterprise needed?

What views can you share from key stakeholders to support the need for your Social Enterprise?

### Business Goals

What do you want to achieve in your first year of business? (Consider doing a SWOT analysis to help you clarify your thinking and help you to set smart goals and strategies. Be clear on your financial goals e.g. to break even, to have a turnover of £x etc. AND be clear on the social impact you are aiming to deliver. What factors from an external context do you need to consider – perhaps carrying out a PESTLE analysis to assess external variables?)

What do you want to achieve in the medium term (3-5 years)?

### Insert Business Goals



WHY: It is useful to highlight these 4 areas in your business plan as it demonstrates you are aware of the issues your organisation may have internally.

e.g. XYZ's Board of Trustees has conducted a SWOT analysis to identify internal strengths, weaknesses, opportunities and threats. These are highlighted below:



TIP: To open up a SWOT analysis tool click [here](#).



TIP: To open up a PESTLE analysis tool click [here](#).



TIP: To open up a Growth Plan tool click [here](#).

### Background Information

Include anything that you deem relevant to setting the scene for your business.



### 3. The Organisation

#### Vision



TIP: Your vision should represent the 'guiding light' for the aspirations of your social enterprise – typically it is an aspirational representation of your purpose. E.g. 'to make people happy', 'a just world without hunger', 'a world where everyone has a decent place to live', 'a region where all people's voices are heard'.

**Insert vision of organisation here**

e.g. Our vision is to provide excellent facilities and activities in the evenings for young people in DG4, that are safe and inclusive.

#### Purpose or Mission Statement

Our purpose/mission statement (delete one as appropriate) is.... **Insert vision or mission statement of organisation here**



TIP: A purpose will have a social AND business element to it. The purpose should serve to unify your organisation (and potential funders) in a common cause and strategy. A helpful way to formulate a purpose is to finish the sentence – 'We exist to...(advance / promote / provide / relieve...)...'

e.g. XYZ exists to relieve food poverty in Dalbeattie through a sustainable community shop.



TIP: A mission statement will serve as a roadmap to achieve your vision. It is a simple, action-oriented statement that explains your purpose - what you do and why you do it.

e.g. XYZ aims to harness the skills and talents of local people to deliver social activities, learning opportunities and skills development for ex-offenders as well as those who are not otherwise in employment, education and training.

## Values



TIP: Values will inform your organisation's decision making, behaviours and approach to doing business.

e.g. **Community First** – we want to improve the lives and opportunities of everyone in our community. This involves listening to, empowering and putting community at the forefront of everything we do.

**Bold and Challenging** - we will take calculated risks to achieve outcomes for our community. We will challenge people's thinking and accept the right of others to challenge ours.

**Fair** – we will treat others with the respect we would expect in return. This includes not engaging in trade or activity that will put us in direct competition with other businesses and initiatives in our community.

## Management Structure

An overview of the key management roles / positions in the company e.g. directors, trustees etc.

e.g. XYZ is a two tier SCIO with a Board of Directors elected from its Membership. Some of the directors have specific Office Bearing responsibilities i.e. Chairperson, Financial Director, Secretary, Business and Communications Director and Vice-Chair Person

## Organisation structure



TIP: This may not be necessary for smaller organisations.

Provide an overview of the full staffing structure for your organisation. Describe the roles, not the specific people who are in / will be in the roles e.g. training manager vs. Joe Bloggs.

## Staffing the Organisation



TIP: This may not be necessary for smaller organisations.

Provide details of how your organisation will be / is staffed. Be clear on the individuals who are in roles, and also be clear on any key roles that require recruitment.

## Stakeholders

Who are your Stakeholders? What is their interest? How can you engage them? Can they offer support and if so in what form?

e.g. ABC Enterprises has 3 core anchor tenants who provide us with a steady and sustainable income through rent and with whom we have made several joint bids for additional funding. We have also developed a number of business ideas through collaboration.



## 4. The Offering



TIP: In developing your offering and marketing plan, you must undertake some market research and feasibility studies. This could be desk-based research i.e. analysing publicly available data and research by others. There is lots of data for our region readily available online already and some examples and links are available in the embedded document below:



TIP: To open up a tool on Market Research click [here](#).



TIP: Alternatively, your organisation can easily conduct research or commissions someone to do it for you. This might involve interviews, focus groups, observation and/or questionnaires/surveys. More information on these methods is here:



TIP: To open up a tool on Questionnaires and Surveys click [here](#).



WHY: This data will be key to giving funders evidence and confidence in your project as it demonstrates that the needs and issues you claim exist are backed up by hard facts, opinions and figures.



TIP: It is also possible to gather competitive intelligence e.g. information your competitors share on social media or from organisations in other regions doing something similar to yours.

### Product(s) / Service(s)

Describe the product(s) and/or service(s) that the Social Enterprise will offer.

Why do you believe there is a market for these product(s) and/or services(s)? (include data from market research).

What is your Unique Selling Point (USP) in the market and why do you believe this USP will be relevant to potential customers (include data from market research).

### Fit with Regional Economic Development Plans

Explain how your organization fits with regional economic development plans such as those of the South of Scotland Enterprise agency (SOSE) and Dumfries and Galloway Council.



WHY: This may be important if you are seeking assistance or funds from either of them and it demonstrates you have considered the strategic fit of your product or services with the wider economic needs and priorities of the region.



TIP: More information is here to help you, click [here](#).

## 5. The Market

### The Market

Why do you believe there is a market for these product(s) and/or services(s)? (include data from market research).

Give a brief description of the market that you are in / proposing to enter. If you can size the market in terms of ££ then do so. How would you describe the market, what influences the market (e.g. economic, social, environmental shifts).

Who else is playing in this market i.e. who are your competition?



TIP: To open up a tool on Understanding Your Market click [here](#).



TIP: It may be useful to undertake an External Review (sometimes called a PESTLE analysis [Political Economic Social, Technological, Legal and Environmental]). This demonstrates you are aware of the issues your organisation may face from external changes and how you are trying to plan ahead.

e.g. XYZ's Board of Trustees has conducted a PESTLE analysis to identify external issues and changes in the commercial environment going forward. These are highlighted below: etc etc.



TIP: To open up a PESTLE analysis tool click [here](#).

### Target Customer(s)

Describe the target customers for your Social Enterprise (these may or may not be the same group as the beneficiaries of your social aims). You may have more than one target group of customers so make sure you provide detail for all.

Target Customer	Customer Needs & Wants	What Your Offering will Deliver	Likely Number of Customers	Prices Likely to Pay for your Offering
Describe a 'typical' customer of this type. What defines them? What is important to them?  Customer A	Describe what the customer needs & wants in relation to your offering e.g. needs skill development opportunities, wants a place to work etc.... Reference how you know these things e.g. from market research data	Describe how/why your offering will satisfy the customer's needs &/or wants. Note any particular aspects of your offering that will delight the customer.	How big is this target group? How many would you be aiming to attract as customers?	How much do you think you could sell your product/service for? (Consistent with your pricing strategy)
Customer B				
Customer C				
Etc.				

### Market Risks

What are the risks you have identified with regards to the market?

What will you do to mitigate the risks you have identified?

### Marketing Strategy



TIP: To open up a tool on Developing a Marketing Strategy click [here](#).

## Branding

How will you brand your offering(s)?

What is your brand strategy?

## Pricing

What is your pricing strategy?



TIP: To open up a tool on Pricing click [here](#).

## Promotion / Advertising

What is your advertising strategy

You will need to consider (i) how you will raise awareness of your brand / offering(s) amongst target customers, (ii) how you will engage with your customers and potential customers ongoing in order to build a relationship between them and your brand.

What are your key outlets for advertising? Consider e.g. social media, print media, radio, word of mouth, partnering with others etc.

## Place

Where will your product/service be offered to customers?

If offering a service, consider will you operate from a central location? Will you take your offering to customers in their communities? Can you offer this service online? Etc.

If offering a product, where will you sell your product? In a physical retail place? Online?

## 6. Marketing Plan

Give an overview of your core marketing plan, including your strategy on pricing, on placement and your promotional mix. Be clear on who will own and be involved with the marketing strategy and plan. Be clear on the marketing budget. Provide specific details for your various products.

Product/Service	Product/Service 1	Product/Service 2	Product/Service 3
<b>Who is the target</b>	Brief description	Brief description	Brief description
<b>Pricing</b>	Calculate this based upon your pricing strategy	Calculate this based upon your pricing strategy	Calculate this based upon your pricing strategy
<b>Placement</b>	Where will your product be made available (include e-commerce if relevant)	Where will your product be made available (include e-commerce if relevant)	Where will your product be made available (include e-commerce if relevant)
<b>Distribution</b>	How will you distribute your product (if relevant)	How will you distribute your product (if relevant)	How will you distribute your product (if relevant)
<b>Promotion / Advertising</b>	Where, when, how will you promote your product(s) to ensure that your target customers are reached and convinced to buy	Where, when, how will you promote your product(s) to ensure that your target customers are reached and convinced to buy	Where, when, how will you promote your product(s) to ensure that your target customers are reached and convinced to buy

## 7. Finance

### Start Up Costs



TIP: May not apply to existing organisations.



TIP: You will need to consider all the things needed to get your business started. This might include costs for premises, tools, materials, insurance, training, wages, market research, hygiene, health and safety compliance etc.



WHY: You need to know your start-up costs for 2 reasons. 1) So you can figure out how you will source the funding to get started. 2) So you are clear on what you are asking for and how it will be spent if you decide to apply to a funding body for a grant or for investment.

### Profit & Loss Forecast



WHY: Everything we have done so far in this plan is based on research and analysis. However, here is where the business case is costed and laid out for investors, stakeholders and your managers and/or directors.

This section needs to include:

A month-by-month analysis of your gross profit and gross margin over the next year to three years. For a new organisation this will be a projection. For a more established organisation this will have last year's actual figures and a projection ahead which will probably have some continuity with what was achieved last year.

You will also need to detail your net profit and net profit margin or the projection of these if you are just starting up.

In addition, you will need to work out the break-even point. This is the number of units that need to be sold and amount in pounds you need to make to break even.



TIP: To open up a tool on Profit and Loss click [here](#).

### Cash Flow Forecast



WHY: Cash flow is critical in the early days of operation and also when the organisation is facing hard times e.g. due to a downturn in the economy. Cash flow is all about making sure you have enough money to pay the immediate bills.

E.g. many large retail department stores have gone into receivership in the past because they have not had control of their cash flow. When these businesses started to take longer to pay their suppliers, the suppliers became nervous and stopped supply unless they were paid upfront for goods. This in turn means the retail department store must sell more products and very fast just to keep afloat. Most of them end up in receivership or disappear from our high streets.

Develop a cash flow forecast for at least 6 months.

For each month calculate projected income and expenditure then look at income minus expenditure to see where you stand each month.

Income might be from sales of your offering, or receipt of investment or grant monies, or from some other route. Expenditure might be wages, premises, utilities, insurance, broadband, advertising, raw materials, stock, loan repayments etc.

Whilst some months might have more expenditure than income this needs to be avoided. So your organisation need to ensure it has enough cash in the bank (reserves) to cover any of these months as they arise.

*For a new business this starts out as a forecast but it is essential each month to capture actual data alongside the forecast to understand your true reality. Building this real data will help you to refine your model on a going basis.*

E.g. A new small organisation of 2 people was delighted that it managed to secure a big contract with a large organisation worth £1 Million paid on completion in a year's time. However, this meant that all their business hours would be consumed by the contract and they would have no income for a year to pay their expenses in working on the contract. The small organisation attempted to agree an upfront payment of 50% but as this was refused by the large client they could not agree to the contract. This decision was based on their cash flow forecast which said they would run out of money within 3 months and would therefore be unable to complete the contract.



TIP: To open up a tool on Cash Flow click [here](#).

## Financial Risks and Assumptions

*What are the risks you have identified with regards to your financial plan?*

*What will you do to mitigate the risks you have identified?*

*As you are using forecasts what assumptions have you made in these forecasts?*

*What are these assumptions based upon and what evidence do you have to support them?*

E.g. If you know that an anchor tenant's funding runs out in two years from now and they may move out of your community facilities that will have a material effect on your income and expenditure and you need to factor it into your financial projections and thinking. It may not happen but you may also need to assume it will?

## Capital Requirements

*Highlight what capital spending you plan to undertake in the next year and perhaps in the next 5 years if you can plan that far ahead. This will also suggest where that money and funding is expected to come from.*

e.g. XYZ intends to install a new cookery area for teaching people to cook meals from basic, yet, nutritious ingredients. The cost is expected to be in the region of £35,000. £15,000 has already been secured from the Prince's Trust which is to be match funded by XYZ's own capital fund injection. It is anticipated that the shortfall will be from other funders such as ABC Youth Charity and the Council's anti-poverty funding scheme.

e.g. Within 5 years XYZ will need to install a new heating system to the cost of £75,000. Some of this will come from funds generated over the next 4 years but there is likely to be a shortfall of £55,000. Green energy grants may be available to help with this spend but we will need to secure an additional £40,000 from other sources, as yet unidentified.

## Projects in Progress

*Here detail any projects that are underway (put project plans, fund usage, architects' drawings, feasibility studies and project timelines in an appendix 3).*

## Projects Planned

*Here detail any projects that are planned or being developed (put project plans, fund usage, architects' drawings, feasibility studies and project timelines in an appendix 3).*



TIP: Additional Resources

## Social Enterprise Dumfries & Galloway (SEDG) – Resource Index

Item	Resource Title
1	SEDG Resource 1 – Break Even Point
2	SEDG Resource 2 – Cash Flow
3	SEDG Resource 3 – Collaboration
4	SEDG Resource 4 – Creating A Positive Culture
5	SEDG Resource 5 – Decide On A Bank Account
6	SEDG Resource 6 – Developing A Marketing Strategy
7	SEDG Resource 7 – Developing Digital Capabilities
8	SEDG Resource 8 – Developing New Products Innovation
9	SEDG Resource 9 – Developing Your Workforce
10	SEDG Resource 10 -EH&S Assessments
11	SEDG Resource 11 – Fitting With Regional Economic Plans
12	SEDG Resource 12 – Focus Groups
13	SEDG Resource 13 – Gift Aid
14	SEDG Resource 14 – Good Governance
15	SEDG Resource 15 – Growth Plans
16	SEDG Resource 16 – Leadership Styles
17	SEDG Resource 17 – Legal Structures
18	SEDG Resource 18 – Managing Conflict
19	SEDG Resource 19 – Meetings Visioning and Project Planning
20	SEDG Resource 20 – PESTLE Analysis
21	SEDG Resource 21 – Presenting Your Ideas To Others
22	SEDG Resource 22 – Pricing Your Product Or Service
23	SEDG Resource 23 – Problem Solving
24	SEDG Resource 24 – Profit and Loss
25	SEDG Resource 25 – Questionnaires and Surveys
26	SEDG Resource 26 – Simple Cost Benefit Analysis
27	SEDG Resource 27 – SWOT Analysis Template
28	SEDG Resource 28 – The Social Enterprise Code
29	SEDG Resource 29 – Trading Subsidiary
30	SEDG Resource 30 – Understanding Your Market
31	SEDG Resource 31 – Undertaking Market Research
32	SEDG Resource 32 – Business Plan Template
33	SEDG Resource 33 – Impact Evaluation

## 8. Impact and Measurable Outcomes

Here you need to identify the impact and measurable outcomes to demonstrate how you will know whether your plans are successful. By pulling together your vision and social purpose or mission and data from your marketing and financial plans your Board will need to identify a series of short-, medium- and longer-term outcomes. These outcomes provide measurable results of the impact you are making against the issues and needs you identified that need to be addressed.



TIP: It might be a good idea to put this information in a table as in the example below and for your Board to regularly review what progress is being made?

E.g.

Impact intended.	Short Term Outcomes	Medium Term Outcomes	Longer term Outcomes	Activities Required	Outcome Measures to Assess Impact
e.g. To tackle isolation in our community through community cohesion projects in the church hall.		Attract 800 people a year to our social events in the church hall.	People feel less isolated in our community	Identify interests and set up groups and events.  Community survey now and in future	How many people attend the hall. What events seem to attract large numbers.  Community surveys conducted – what do people say before and after about isolation
To tackle isolation in our community through well being projects in the church hall.	Community and stakeholders asked about wellbeing and issues that need to be addressed		Identify and run events designed to assist with wellbeing.	Ask wellbeing questions in first community survey  Events held e.g. clinics, work with mental health professionals, food providers etc as required	Wellbeing issues identified.  Number of events held.  Number of people who attend and are assisted.



## APPENDICES

1. Board of Trustees and Staff
2. Surveys on Community Engagement & Feasibility Report
3. Projects

## Appendix 1 - Board of Trustees and Staff

Insert brief descriptions of each Trustee and Officer of your organisation you may do it in a tabular format?

e.g.

William Morris – Chairman

William worked in various marketing roles in the textile manufacturing sector for 30 years before returning to the region where he went to school and grew up. He brings with him a wealth of business knowledge and experience. William has been on several charity boards in the past and has successfully managed rebuilding projects in local communities in a voluntary capacity.

e.g.

Stephanie McQueen – Trustee

Steph moved to the area 5 years ago with her partner as she saw it as an ideal place for her children to go to school. Steph commutes to Glasgow but prefers to work from home when she can. As a computer software designer, she is keen to see the region develop its IT infrastructure and technological start-up businesses. In a previous role, Steph was involved in setting up a Social Enterprise that distributed technology to communities in technological poverty to ensure wider access to online services and opportunities. She has also worked with the local College on helping to teach coding.



TIP: Make sure that you sell the skills and strengths of your Board members and project officers as this will add to the confidence and belief that funders will have in your project.

e.g.

Name	William Morris
Position / Responsibilities	Chairman and management of staff and day to day operations
Experience / Knowledge of the industry	Charity Board membership over 15 years William has been a champion of hearing difficulties charities and has over 10 years' experience in this area driven by personal family experience of deafness.
Experience of business	Private sector senior business management roles for more than 30 years
Key skills	Leadership skills at Board level in industry and the third sector Financially astute having being involved in business teams and as a Trustee of several charities. Marketing experience from industry Local knowledge and respected in community
Relevant Qualifications / Training achieved	BA Business Studies and Marketing British Sign Language qualified Fellow of Chartered Management Institute

## Appendix 2 - Surveys on Community Engagement & Feasibility Report

### Community Engagement

In this section you need to include much more detail on surveys, community engagement studies and any feasibility reports.



TIP: You may also like to include an overview of contracts or pre-contracts that underpin your plans.  
e.g. a pre-contract for an anchor tenant to rent a space in your building which will provide a steady set income.  
e.g. heads of agreement with the Council or a land owner on proposed transfer of assets or land purchase.



TIP: To open up a tool on Questionnaires and Surveys click [here](#).

### Ongoing Community Engagement

Insert here how you plan to continue to engage with the community or the group you are seeking to help or support.



TIP: Not just doing more research but also what activities you are going to start to involve the group or community in.

e.g. After school homework clubs have been suggested to the local schools and the Academy and working with them we hope to get more young people into our centre. We can also use this opportunity to show them what facilities we have available to them for social purposes.

e.g. We have launched a new competition on the local Academy to design a new logo for our organisation and the winner will get a free online gaming pass at the centre for 12 months.

## Appendix 3 - Projects

In this section you need to put more detailed information on ongoing and planned projects. This might include timelines/GANTT charts, architects' drawings, cost estimates versus budgets, graphs, pie charts etc.