

How to make a business plan

If you want to run a successful business, a good business plan is a vital first step. We explain how to make a business plan, step by step.



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A business plan provides an outline of your business, including what your business will do and the market for your products and services, how it will operate, the costs involved and - importantly - how it will make money.

A good business plan will clearly illustrate its unique selling points (USPs), and why your business will succeed when not all businesses do. Download our [free business template](#) and use this guide to help create yours. We've also filled in the [template for a fictional business](#) to give you an example.

Why you need a business plan

One of the main reasons that new businesses fail is poor planning. A great idea alone will not guarantee success. Take letterbox flowers. In 2013, then-startup Bloom and Wild pioneered the idea of flower bouquets that could be popped through a letterbox, sparing the need for the recipient to be in to take delivery. Genius! In 2020, it was the UK's top-rated flower company, with expansion into Europe underway, and a growth of 160% year-on-year.

But imagine if, at its early stages, it hadn't thought through crucial details such as realistic delivery costs, or the packaging required to keep delicate flowers fresh on the recipient's doorstep if they were away overnight. Or if it hadn't done any market analysis to understand how to price itself against competitors, or what its customers might be willing to pay. Its story could have ended very differently.

Not only does a good business plan act as a form of checklist, giving you the confidence that you've thought through everything you need to in order to make your business a success, it also inspires confidence in those who you ask for financial or other support, whether that's a bank, partners or investors.

What can you get from a business plan?

A business plan is for life (of your business), not just for its christening. While it can be an invaluable tool to get your new business off the ground in the first place, referring back to it along the way can keep you on track, and make sure you are not deviating from the plan without good reason.

A business plan can help you:

- Clarify your strategy
- Work out what will make your business stand out from competitors
- Identify and troubleshoot potential problems
- Set and manage milestones
- Measure progress
- Manage money using projections for sales, costs, expenses, and cash
- Set contingency plans for worst-case scenarios
- Secure financing for your business.

How long will it take to complete a business plan?

From start to finish, a business plan is likely to take a few weeks to do properly, though some parts will be quicker than others.

This doesn't mean spending every waking hour writing it over the course of those weeks, but as well as getting down words on paper, you'll need to allow time to, for example:

- Carry out competitor research, and speak to members of your target audience
- Get input from external stakeholders, such as potential suppliers or business partners
- Investigate marketing options
- Self-edit and proofread the plan, ideally coming back to it with a fresh pair of eyes at least a day or two after your first draft

Writing a business plan: 5 top tips

1 Cut the waffle

Be concise and to the point – write as little as you can to get across what you need to, and use plain English. Potential backers are likely to be time-poor and will want to see at a glance what your business is about. Include a summary of your business, and how it will make money right from the start. If necessary, detailed information can go in an appendix.

2 Be realistic

Recognise and address weaknesses and threats rather than brushing them under the carpet, and don't over-inflate potential profits; banks and investors will see straight through overly optimistic projections.

3 Do your customer and competitor research

Make sure your plan is clear about your target market. Speak to potential customers and research other companies that are offering similar products or services. Be able to demonstrate why your target market will want/need your products and services and why they should choose your business over competitors.

4 Don't gloss over the finances

Ultimately, the success of a business boils down to whether it makes money. Crunch the numbers carefully, taking into account expenses as well as potential sales over time, and allow contingency for things not going as planned. Be very clear on how you will make a profit.

5 Get someone you trust to check your business plan

An impartial pair of eyes – ideally belonging to someone who won't be directly or indirectly involved in the business – will help spot any issues, such as inconsistencies, information gaps, confusing language or even the odd typo that could make your plan appear less professional.

How to complete a business plan: Step-by-step guide

Every business is different, and so is every business plan, but following the guide below will help make sure you don't miss out important elements that could make the difference between success and failure.

Our steps, starting on p6, walk you through the sections of our [free business plan template](#) that you can copy and use to create your own plan.

Take time to work through each part, but don't beat yourself up if you can't fill in every section as thoroughly as you might like; an imperfect business plan is better than no business plan at all.



Section 1: Executive summary

This is the most important section of your business plan - it should give the reader a good overview of your entire plan, including what your business does and how you will make it profitable.

If someone is busy, this may be the only section they read, so you need it to make an impression. Because this is a summary, it should be no longer than two pages, and you should write it last - after you have completed the rest of the plan. Charts or other visuals could help make your summary easier to digest and more compelling; for example, a chart showing anticipated turnover and profit in the first three years.

Business name	Take your time to make sure you have the right name, particularly if your business is consumer-facing. Will your name make it easy for customers to find you/know what your business does? Remember to check that your business name isn't already being used (search the internet or use the Companies House index).
Business summary	What are you going to sell, where and to whom. What type of business will you be - eg sole trader, limited company etc - and why.
Business goals	Three to six bullets outlining what you want to achieve - for example, the amount of money you want to make, if you want to become a market leader etc. You may want to break these down into short and long-term goals.
Financial summary	Include key financial figures, including: <ul style="list-style-type: none"> • How much you need to start the business • Anticipated turnover and profit in years one to three.
Elevator pitch	Imagine you're standing in a lift (or elevator, in the US) and the investor of your dreams steps in. You have two minutes to tell them about your business before they reach their floor. What would you say to make them want to invest? This should clearly state what your business does, who it's for and what makes it stand out.
USPs	Use this section to highlight all the things that make your business different from (and better than) your competitors. Your competitor analysis in Section 8 will help with this. Be as specific as possible; avoid broad claims that many companies can make. For example: <ul style="list-style-type: none"> ✗ Great customer service ✗ Low prices ✓ Products will use fully recyclable packaging ✓ Guarantee to respond to customer queries within 24 hours ✓ First company in UK to deliver flower bouquets through your letterbox

Section 2: Personal details

Don't forget the admin - this section ensures potential backers, and potential customers, can get in touch with you.

Owner name	If the business has more than one owner, repeat this section as appropriate.
Home address and postcode	
Home telephone number	
Home email	

Section 3: Business details

Business name
Business address and postcode (if different from above)
Business telephone number (if different from above)
Business email address (if different from above)

3a About the business owners

This section explains your motivation to start and run your own business. It also gives you the opportunity to show why you think you have the knowledge and experience to make it work, and how you plan to develop your skills. The section should be completed for each person involved in running the business - and be prepared to attach any qualification certificates.

Why I set up the business	Explain why you've decided to start your own business and why you're determined to make it successful.
Previous work experience	Give details of relevant work experience - for example previous businesses you've run yourself or helped friends and family set up, or employment for other companies in the same field.
Qualifications, education and training	This doesn't have to be a comprehensive list of all your qualifications and training; focus on those that you think will help you run your business.
Future training proposed	If you are planning to undertake training to help you run your business, give details here; this will help show your commitment.
Hobbies and interests	Those reading this document will be interested in any hobbies or interests that are directly relevant to your business; for example, membership of sports clubs will be worth mentioning if your business is aimed at those who are involved in sport, but less so if you are planning to sell art supplies.
Additional information	Pop anything that doesn't fit into one of the sections above in here; if there's nothing to add, delete this section (remember, briefer is better).

Section 4: Products and services

What is your business going to sell: physical products, services or both (for example, business might sell both manicures and nail-care products).

What we will sell	For example, decorating services, or sustainable clothing.
Product details	For example, interior and exterior painting and renovation; carpeting services. Or a sustainable clothing business might sell different items of clothing in a range of sizes.
Growth plan	You may start your business with a smaller range of products or services, that you plan to expand over time as the business grows. For example, a decorating service might focus on domestic properties initially, then expand into commercial properties if the business is successful and the size of the team grows.
Routes to market	For example: <ul style="list-style-type: none"> • Online (via your own website or an online marketplace, for example) • By phone • In person (in a physical store, for example)
Single vs repeat purchases	This will help the reader understand whether you need to build up a smaller, loyal customer base (for cleaning services, for example) or have a plan in place for constantly attracting new customers (for bespoke furniture, for example).
Additional information	Pop anything that doesn't fit into one of the sections above in here; if there's nothing to add, delete this section (remember, briefer is better).

Section 5: About the customers

Use this section to provide detailed information about who will be buying your products and/or services. Filling in this section will both help you understand and target your customers better, and demonstrate to those reading your plan that there is a clear demand for what you'll be selling.

Be specific; even if you think that 'everyone' is a potential customer, in reality your products or services are more likely to appeal to certain groups, and this will affect your sales and marketing strategy. It's important that this is based on accurate research, so you may want to finetune this part after you've completed the market research section.

Target customers	Consumers, businesses or both?
Target customer area	In a region of the UK, across the UK, or abroad? It may be that your plan is for your business to start locally, and expand over time; if so, say so (but be realistic).
Typical customer	If they are consumers, are you aiming to appeal to a particular demographic (age, wealth, family status etc)? If businesses, what size and what sector(s)?
Size of the market	Taking into account the above, give a rough indication of the potential number of customers available to buy your products/services.
Reasons for purchase	Explain what the need you will be fulfilling is. Is it an essential or a luxury? Prompted by a need (a car that won't start, for example) or a payday treat?
Reasons to purchase from our business	Price is bound to play a part, but what else influences customer choice - convenience? A reputation for quality? Speed of delivery? Explain how your business can deliver against these expectations.
Sales record	Showing that you have an existing customer base, or one that's ready and waiting, will demonstrate the value of your business. Give details of the number of sales and the money you've made (or expect to make).
After-sales service	Explain how you will manage post-purchase customer relationships - whether that's how you'll deal with product returns, or if you'll have a process to check that a customer is happy with the service you've provided.
Additional information	Pop anything that doesn't fit into one of the sections above in here; if there's nothing to add, delete this section (remember, briefer is better).

Section 6: How the business will operate

This section helps make sure you've thought of all the logistical and administrative requirements to keep your business operating on a day to day basis. The table below highlights some of the requirements that are common across many businesses; you can exclude any requirements that don't apply to you, and add any additional requirements.

The costs of the overheads included in this section will need to be built into your costs and pricing strategy in Section 9.

Production	If you are selling products, how long will it take for you to make or receive your products? What levels of stock might you require?
Payment facilities	Will you accept cash, card payments, bank transfers or direct debits? What technology and/or equipment do you need to enable these payments, and are there any payment fees you will need to consider (card providers often charge a fee per transaction, for example). Will you receive payment up front or on delivery of the product?
Delivery	If you are selling products that need to be delivered to a customer's chosen address, what delivery service(s) will you use? How long will this take? Will the customer need to pay extra for delivery? If you are selling a service, what requirements are there for the customer to receive the service. For example, a service delivered online might require a sophisticated website.
Returns and refunds	Make sure you are aware of and able to manage any legal requirements relating to returns, and consider how you will deal with returns and refunds whether these are covered by your legal obligations, or additional voluntary policies. Consider practical issues - such as how a customer can return physical items to you.
Suppliers	Who have you chosen (and why), what will they supply, and how will they be paid.
Premises	Will you rent or buy premises to run your business from, or work from home? What facilities do you need (such as a dedicated phone line)? Do you need warehouse space to store products, or a market stall to sell from? Will the premises you use initially potentially need to be expanded over time?
Bills	Will you need to put money aside to cover utility or telecoms bills? Which suppliers will you use?
Equipment	This could range from simply a mobile phone and a laptop (and perhaps a kettle) for an online business, to dedicated equipment for running a trade. Do you need to buy equipment, or do you already own it?

Transport	Do you need to get about to meet customers or operate your business? How will you do so, and what type of transport might you need to move stock and/or your equipment around?
Legal requirements	Make sure you are aware of any laws that apply to your business; for example, do you need a trading licence, or to comply with food safety laws? Make sure you are also aware of consumer laws that could affect the way you do business (such as the <u>Consumer Rights Act 2015</u> , which applies to almost all purchases made by consumers).
Insurance	The precise insurance you need will depend on the nature of your business. As well as insurance for your business premises and equipment, there is also insurance that can protect you against loss of earnings, or if a customer or member of staff is injured on your premises and sues you as a result.
Staff	Consider what staff you may need to help you run your business and what skills they may need. Will you manage all parts of the business yourself, or employ a manager? How will you recruit staff?
Pay and benefits for staff	If you are employing staff, you will need to consider where, when and how much to pay them, plus additional benefits (such as paid holiday or the ability to pay into a pension scheme. Some benefits are required of an employer by law; you may wish to include others to attract good staff.

Section 7: Marketing strategy

Your business could hit the nail on the head in terms of customer needs and expectations, but if nobody knows about it, it can't succeed. Good marketing will let your customers know about your products and services, pique their interest in and desire for them, and tell customers how to get hold of them.

But remember: effective marketing takes time and, often, money - rather than trying every possible marketing technique from the get go, pick up to three methods that you think are likely to be most effective at reaching and appealing to your customers.

Marketing method 1	<p>Methods to consider include:</p> <ul style="list-style-type: none"> • Direct marketing (contacting potential customers directly - explain how you will do this and how you will get their details) • Paid advertising (such as on the internet, or in a magazine) • Social media (Facebook, LinkedIn and Twitter are among the best known sites, but there are many more that might be well suited to your business. Think about which social media sites your audience are likely to use, and how best to appeal to them - a blog? A forum? Regular tweets? A regularly updated image gallery?) • Trade shows and exhibitions • Website (a professional, well-optimised website can help customers find you when they need or want to) • Word of mouth (this may happen organically if your customers have a great experience with you, though there's nothing stopping you encouraging your customers to spread the word).
Reasons for this method	Explain why you think that this marketing method will work well for your business.
Costs	This will also need to be factored in to your costs and pricing strategy section, later.
Marketing method 2	As above
Reasons for this method	As above
Costs	As above
Marketing method 3	As above
Reasons for this method	As above
Costs	As above
Other potential marketing methods	What other options might work, but you've ruled out for now (and explain why).

Section 8: Market research

Without having done some research about the potential market for your business, your plan will be based on assumptions. Logical and intelligent assumptions, perhaps, but your business plan will be much more effective if you back these up with facts.

There's no "right" amount of research, but it's fair to say that spending an hour browsing the internet and asking the opinions of friends and family is unlikely to do the trick.

The sections below will take you through some of the types of research that you might find most useful to support your business plan and make your business a success.

Bear in mind that this should be a short summary of the most important findings from your research; you don't need to include every little detail you've discovered here (remember, you can always add an appendix in case readers want to know more).



8a Key findings

<p>Desk research: key findings</p>	<p>This is research you carry out on the internet or using books/printed documents. Useful insights would include (quantify these and give references where possible; don't be afraid to use charts or tables, for example to show trends):</p> <ul style="list-style-type: none"> • The size of the existing market (could be in financial terms or units purchased). • Market trends - is the market growing, stable or shrinking? • External factors that will, or could, influence the market, such as regulation or political changes; for example, Brexit has had a huge influence on businesses that import from or export to Europe.
<p>Customer research: key findings</p>	<p>This is what you've discovered from speaking to potential, or existing, customers. This can be done through interviews or via a printed or online questionnaire; either way, it's a good idea to put together a list of key questions you want people to answer. Summarise how you did the research and the main results - for example, how many people said they would buy your product? What would they be willing to pay? Highlight any differences by customer 'segment' (for example younger and older people).</p>
<p>Test trading: key findings</p>	<p>What people say and what they actually do can be different things. If your business will sell products, the best way to find out if people will buy them is to try and sell them on a small scale, potentially trying different price points. This could be via an online marketplace, or at a local event, for example. Use this section to explain what you did and how it went.</p>
<p>Competitor research: key findings</p>	<p>An important part of your research will be to look at your competitors. This will allow you to find out, for example:</p> <ul style="list-style-type: none"> • How competitors are pricing similar products • How people's needs are being met at present • What gaps exist in the market that you could take advantage of? <p>Summarise your key findings here; below, we've included a template to help you structure the information on each competitor.</p>
<p>Other research: key findings</p>	<p>Pop anything that doesn't fit into one of the sections above in here; if there's nothing to add, delete this section (remember, briefer is better).</p>

8b Competitor analysis: detailed breakdown

It can be easy to get lost down a rabbit hole when carrying out competitor analysis, especially via the internet, which can give you (and potential customers) access to hundreds or even thousands of businesses selling similar products and services.

Try to focus on four or five competitors that your potential customers are buying from now, or are likely to buy from; depending on the nature of your business, this could mean local companies, companies selling similar items at a similar price, or companies with a similar ethos (if one of your USPs is sustainability, for example, look for competitors with a similar focus).

The grid below will help you focus your competitor research on the key things that matter.

Name of competitor				
Location of competitor				
Competitor size				
Products/services offered				
Price of products/services				
Competitor main strengths				
Competitor main weaknesses				

8c SWOT analysis for the business

Your desk, customer and competitor research will allow you to identify the factors that could influence your business, positively and negatively. A SWOT analysis captures and summarises the key influencers, identifying strengths to play on and opportunities to take advantage of, as well as weaknesses to address and threats that you may need to plan for.

Aim to highlight at least two or three items in each box, and make them as specific as possible to your business.

Strengths

What will make your business stand out against competitors?

Weaknesses

What could cause problems, and how will you address these weaknesses? For example, lack of money may mean you can't start out with your full product range, but you may be able to address this by staggering your launches.

Opportunities

These may include changes to the law or regulation, trends in consumer behaviour, or other external factors that could benefit your business.

Threats

External factors that could cause problems for your business – such as fees being introduced for cross-border sales, if your business will sell internationally. Briefly explain how you will mitigate these risks.

Section 9: Financial plan

There are two key terms that matter when establishing a business's profitability:

Gross profit - this is the difference between the total sales revenue and the direct costs of creating and delivering products and services. It does not take into account, for example, operational costs such as the rent on premises, tax and loan interest.

Net income - this is how much money is left after all business expenses have been paid.

The following sections will take you through how to calculate each of these; any backers will want to see that your business will have strong net income potential.

9a Costs and pricing

Your competitor analysis may have given you a clear idea of the going rate for products or services like yours, but you can't rely on these to set your prices.

First, you need to calculate how much it will cost to create and deliver your products or services. This, combined with the operational costs outlined in section 6 (such as the rent for premises), plus your basic living expenses, will dictate how much you need to charge to break even and, ultimately, make a profit.



Costs and pricing table

If you are selling more than one type of product/service, you may need to complete more than one table. Depending on the product or service you are selling, you may choose to calculate costs for a batch initially, then divide by the number of units in a batch to get the unit cost and price.

Direct costs for delivering a product or service might include, for example, the materials to create the product or service, packaging etc. It won't include things like the cost of renting premises to sell the products, or paying staff.

Product/service name	Write the product/service name
Product/service elements	
Direct cost of [insert name of product/service element] - repeat this line for as many elements as a relevant	Write the cost in £
Direct cost of [insert name of product/service element] - repeat this line for as many elements as a relevant	Write the cost in £
Total direct cost of making and delivering the product/service	Write the total cost of individual elements in £
Product/service price	Write the planned price in £. The price you plan to charge will need to take account of the direct costs of creating and delivering the product/service, as well as allowing for operational business overheads outlined in section 6.
Gross profit (or profit margin) per unit	Deduct the total direct cost per unit from the price per unit to get the gross profit per unit in £.
Gross profit (or profit margin) as percentage (%)	Divide your gross profit by your product/service price and multiply by 100 to get the profit margin as a percentage.
Mark-up (%)	The mark-up is slightly different from the profit margin percentage; you work it out by dividing your gross profit by the total direct cost of making and delivering the product/service, then multiplying that figure by 100 to get a percentage.

9b Essential living costs

Unless your business makes you and your family enough money to live on, after direct costs and other business costs have been deducted from turnover, you will struggle to keep going in the longer term.

Make a list of how much money you spend on each of the following each month, and deduct any other sources of income, to work out your essential living costs.

Estimated costs	Monthly cost (£)
Accommodation and utility costs	Write the costs in £
Food	Write the costs in £
Entertainment costs (meals and drinks)	Write the costs in £
Children's expenditure costs	Write the costs in £
National insurance	Write the costs in £
Debt repayments (credit card, loans and other personal debt repayments)	Write the costs in £
Other	Write the costs in £
Total costs (£)	Write the total costs in £
Estimated income	
Income from family/partner	Write incomes in £
Part-time job	Write incomes in £
Benefits	Write incomes in £
Other	Write incomes in £
Total income (£)	Write total incomes in £
Total income for living costs required from the business (£)	

9c Profit and loss forecast

This will be used to show whether your business will be profitable, immediately or over time. It measures what is gained, what is lost, and the gross and net profits/losses.

Use this to plan out:

- How much money you expect to make from sales each month in your first year and each year for the next two years and, therefore, how much money you will make (your 'turnover')
- The direct costs of creating and delivering your products/services and your business overheads.

This will enable you to calculate expected profits and losses – figures that any prospective investors will be very keen to know.

Don't forget that your business may not operate seven days a week (you'll need to take time off sometimes). Take any seasonal fluctuations into account; for example, a swimwear business will typically do better during the summer.

You should include bank charges and interest, but don't need to include tax liabilities, repayments of loans or any dividends in your profit and loss calculations; however, these will need to go in your cashflow forecast (see section 9d).

The profit and loss forecast recognises transactions when they occur, whereas the cashflow forecast looks at when cash is actually paid. Unlike the cashflow, a profit and loss forecast also shows non-cash business gains and losses – for example the growth in the value of investments.

It does not need to include payments for fixed assets - such as a car. This is because the value of this asset will be built into the business, so will be neither a profit nor a loss. However, it should include losses of value incurred through wear and tear on equipment - aka depreciation.

The value of cars, for example, reduces fairly rapidly after purchase; so if you bought a £10,000 car for the business at the start of year one, you would not need to include this amount in the profit and loss forecast. However, if that same car was only worth £7,000 after one year, you would need to record £3,000 of depreciation as an overhead in year one.

This table will pull on more detailed calculations elsewhere in your business plan - for example, marketing costs will be covered in Section 7. It will be helpful to the reader if you cross reference from your cashflow forecast to other, relevant sections where appropriate.

Gross profit and loss table

Projected sales	
[Insert name of product/service] (number of sales)	How many of this type of product/service you expect to sell in each month in year one, and annually in years one, two and three. Repeat this row for as many types of product/service you plan to sell.
[Insert name of product/service] (£)	How much money you will make from sales of this product/service - work this out by multiplying the product/service price you've worked out in section 9a by the number you expect to sell. Repeat this row for as many types of product/service you plan to sell.
Total sales (£)	Add together the total amount of money you will make from sales of all products/services.
Direct costs	
[Insert name of direct cost] (£)	How much it will cost to produce the number of products/services you expect to sell. Work this out by multiplying each direct cost you've highlighted in section 9a by the number of products/services you expect to sell. Repeat this row for each individual direct cost involved in producing the relevant product.
Total direct costs (£)	Add together the total costs of producing all products/services.
Gross profit/loss (£)	Deduct the total direct costs from the total sales.
Overheads	
[Insert name of overhead] (£)	How much you will need to pay each month for the different overheads involved in running the business. You will have identified many of these in section 6. Some overheads (such as rent for premises) will be the same or similar each month; others may vary - for example if you plan to take on additional staff after six months. Repeat this row for each overhead involved in running the business.
Total overheads (£)	Add together the total costs of all overheads.
Net profit/loss (£)	Deduct the total overheads from the gross profit/loss.

9d Cashflow forecast

The cashflow forecast includes many of the same figures as in the profit and loss forecast, but serves a slightly different purpose. It summarises all the money going into and out of your business bank account at the time the money actually enters/leaves your accounts (rather than when a transaction takes place), including tax payments, loan repayments and dividends.

It will also include any money going in and out of your bank account for your own uses.

Your business may be profitable based on the profit and loss forecast, but if you have a big tax payment going out in a particular month, for example, you will need to account for this to ensure you have enough money in your account to accommodate this and ensure you can still pay your overheads.

It can be tricky to know exactly what you should include in a profit and loss forecast and a cashflow forecast, and you may wish to employ a professional accountant to help with this or to check your figures.

Projected sales	
[Insert name of product/service] (£)	How much money you will make from sales of this product/service (see Profit/Loss forecast). Repeat this row for as many types of product/service you plan to sell.
Total sales (£)	Add together the total amount of money you will make from sales of all products/services.
Outgoing payments	
[Insert name of outgoing payment]	How much will go out of your bank account each month to cover this outgoing payment. This should include each direct cost and overhead from the Profit/Loss forecast, plus any other payments - including tax, loan repayments and dividends, if applicable.
Total outgoing payments (£)	Add together the total costs of producing all products/services.
Net cashflow	Deduct the total outgoing payments from the total sales.
Opening bank balance	This is the previous month's closing bank balance (calculated by adding together the previous month's opening bank balance and the previous month's net cashflow).
Closing bank balance	Add together this month's opening bank balance and this month's net cashflow.

Section 10: Backup plan

Remember those threats and weaknesses in the SWOT analysis? Whether it's a risk you've thought about, or you've been blindsided by something you couldn't possibly have foreseen, it's unlikely that everything will go completely according to plan – and, at worst, your business could fail.

So it's essential to have contingency plans in place for these eventualities – whether that's how you'd ride out a temporary set back by tweaking your business model (a short-term plan) or dealing with total catastrophe (a long-term plan).

Short to medium-term plan	How might you be able to adapt your business if it was struggling, but not yet down and out – perhaps by cutting costs. Could you move your business online, for example?
Long-term plan	If your business had to close, what are your other options? Think about how you could use and apply the skills you've learned from running your business.



Further resources

Companies House: lets you officially register your new company, as well as searching the index of existing companies to make sure your business name isn't taken.

Gov.uk: government information on setting up a business, including some of the most important legal requirements.

Money Advice Service: independent online guidance on what to consider if you're thinking of setting up a business or becoming self employed.

The Prince's Trust: a charity that helps young people find new careers; offers online advice on starting a new business that is relevant to all ages.

Unbiased.co.uk: find a qualified financial accountant.

About Finder

Finder is a personal finance website which helps consumers compare products online so they can make better-informed decisions. Consumers can visit the website to compare utilities, mortgages, credit cards, insurance products, shopping voucher codes, and so much more before choosing the option that best suits their needs.

finder.com/uk launched in the UK in February 2017 and is privately owned and self-funded by two Australian entrepreneurs – Fred Schebesta and Frank Restuccia – who successfully grew finder.com.au to be Australia's most visited personal finance website (Source: Experian Hitwise).

For all media enquiries, or for additional comment, contact matt.mckenna@finder.com.

About the author

Ceri Stanaway is a researcher, writer and editor with more than 15 years' experience, including a long stint at independent publisher Which?. She's helped people find the best products and services, and avoid the pitfalls, across topics ranging from broadband to insurance. Outside of work, you can often find her sampling the fares in local cafes, or compensating for the calories through running and yoga.