# **Guidance notes for completing the Youth Enterprise Business plan available to applicants aged 16 to 29 years old.**

## If you require this form in an alternative format or have any problems in completing the form, please call the Youth Enterprise & Micro Business team office on 01482 616219

Description of business

**Section 1**

Explain in your own words what you are going to do.

**Section 2**

Describe your business premises, providing details about the size and type of space you will need. Say whether you will be able to work from home or whether you will need separate premises. Things to bear in mind are:

1. Planning / Building Regulations
2. Leasing (length, cost, need for break clauses and notice of termination)
3. Rental (renewal and review)
4. Fixtures and fittings
5. Types of licences required
6. Environmental / Hygiene Regulations
7. Cost
8. Access
9. Security

##### Owner(s) Personal Details

**Section 3**

Explain in your own words why you think that you (and all your business partners) have the experience, ability and commitment to make a success of your business idea. Remember to emphasise practical experiences. Attach a C.V. for each person involved in the business idea or, if you prefer, give details covering:

1. Education and qualifications
2. Any previous work experiences
3. Training
4. Hobbies and interests
5. Any other relevant information
6. Add extra sheets if you need to.

**Section 4**

Include any business training such as:

1. Book-keeping, Marketing, Sales
2. Any relevant specific skills training
3. Attach copies of certificates

Have you found or been told about any other training which would help your business such as:

1. Professional
2. Technical
3. Business Training

It is strongly recommended that you take advantage of the many free or low-cost courses that are available through your local Council, Hull Libraries, Enterprise Agency and Job Centre plus.

## Your Market

## Section 5

## Explain how you researched your market and what the results were and attach details of the research. This may either be:

1. Desk research, such as looking at statistics, surveys, directories and other sources of information, or
2. Field research, such as researching potential customers using questionnaires and interviews and observing competitor activity.

**Section 6**

Describe exactly who you think will want to buy your goods or services. If appropriate, mention friends and family. Have they given you any promises or offers of work or custom? If so, give details of those who have agreed.

**Section 7**

Provide evidence of competitors and describe their strengths and weaknesses.

**Section 8**

Describe your marketing plan. This should cover:

(i) How and where will you sell your products /services? Methods might include:

1. Retail shop
2. Market stall
3. Cold calling
4. Tele-sales
5. Mobile
6. Sale or return
7. Internet / E-mail
8. Own website
9. Social media, Facebook, Twitter, Instagram etc.
10. Selling sites, Ebay, Etsy, Depop etc.

(ii) How will customers know about your business? Methods might include:

1. Advertising
2. Social Media
3. Posters/Leaflets
4. Shop windows
5. Word of mouth
6. Mail shots
7. Editorials
8. Sign writing on vehicles.

(iii) List the costs of advertising your products / services.

1. Posters/Leaflets
2. Mail Shots
3. Telephone calls
4. Social media/newspaper advertising

**Section 9**

How will you beat your competitors?

Give details of any special features or services you intend to provide. Describe the unique selling point that will mean people will buy from you rather than your competitors.

Pricing Policy

**Section 10**

Describe your pricing policy explaining how you decided what to charge per hour, per job or for items sold. Show some example calculations for products to include materials, time and profit made etc.

Basic Example:

Materials cost for product is £10.00

Time needed to make the product is 2 hours

Item Price is £30.00, which means that you are getting £10 per hour for the product.

You should ideally, at least, be aiming for the current living wage or minimum wage per hour?

**NOTE:** The current Living Wage, click here: [National Minimum Wage and National Living Wage rates - GOV.UK (www.gov.uk)](https://www.gov.uk/national-minimum-wage-rates)

Set out what you have built into your calculations. Don’t forget to include all overheads and, most importantly, profit. Overheads include costs such as:

1. Stock or materials
2. Heat / light / rent
3. Labour per hour
4. Postage
5. Administration

### Remember to cover unproductive time, such as

1. Travelling
2. Administration
3. Getting quotations

##### Sales Analysis

**Section 11**

Detail how many items / services / jobs you intend to sell, provide or do per month, over the next 12 months. Explain how you will meet this target. Be realistic and remember to allow for any seasonal variations.

#### You will need to enter the expected income in your cash flow forecast on the last page of your Business plan.

Costs

**Section 12**

Provide a full list of the equipment, materials, supplies and services you will still need to buy to run your business. You’ll need this information for your cash flow forecast on the last page of your business plan where you will find a list of the most common items of expenditure that you need to include.

When thinking about the equipment you need, consider all your options such as:

1. Buying second hand
2. Buying new
3. Leasing or hiring

Pay particular care to your insurance needs and think about:

1. Public liability
2. Product liability
3. Goods in transit
4. Fire and theft
5. Employers’ liability
6. Vehicle
7. Premises
8. Personal

If you plan to work from home, remember to tell your insurance company since this may affect an existing policy.

Bear in mind that the cost of some services (e.g. phone, insurance and council tax) may be spread over the year.

**Section 13**

Provide a full list of all the things you already own and plan to use in your business. The value of these items will be your investment in the business.

Personal Survival Income

**Section 14**

Use the following table to help you complete this section of the application form.

|  |  |
| --- | --- |
| Personal expenditure | **Monthly cost £** |
| Mortgage |  |
| Rent |  |
| Council tax |  |
| Water rates |  |
| Gas, electricity and oil |  |
| All personal insurance |  |
| All property insurance |  |
| Food and housekeeping |  |
| Clothing |  |
| Telephone |  |
| Hire charges (e.g. TV) |  |
| Entertainment (Going out) |  |
| Subscriptions (e.g. Clubs) |  |
| Car tax / insurance |  |
| Car service / maintain |  |
| Children’s expenditure |  |
| Presents |  |
| Savings |  |
| Credit card repayments |  |
| Loan repayments |  |
| Other (please detail) |  |
|  |  |
| TOTAL | **£** |

**Section 15**

Subsidy Control Declaration

Invest Hull – Supporting Business Growth programme is offered under Minimal Financial Assistance (MFA) as detailed in the Subsidy Control Act 2022. This allows a business to receive up to £315,000 of aid over a rolling three-year period. This period comprises of the elapsed part of the current financial year, and the two financial years immediately preceding this current year.

For this reason, we request details of financial support (Subsidies) that your business has previously received. This could have been in the form of financial or in-kind contributions through accessing grants, loans at a below market rate, potential tax breaks, an equity investment, and use of facilities or access to services at a below market rate.

It is your responsibility to ensure that you have accurately reported on all subsidies and to ensure that your organisation is not applying for funding more than subsidy limitations.

If you are in any doubt on the type of subsidy received or about its value, check with the organisation which provided it.

For more information on the UK Subsidy Control Act 2022 click here: <https://www.gov.uk/government/publications/uk-subsidy-control-statutory-guidance>

**(Please note that previously accessing funding does not make you ineligible and that all subsidies received may be cross checked with the provider)**

**Section 16**

Declarations

**Section 17**

Sign off the application as complete and true

Sales & Cashflow forecasts (Separate Excel Attachments)

The Cashflow forecast is your expectation of the flow of money into and out of the business, on a monthly basis. This brings together the work you have done earlier in identifying anticipated income and costs, including your personal survival budget. It is important that you complete the statement as realistically as possible so:

**Guidance notes for completing Sales Forecast and Cashflow Forecast**

The spreadsheet is in two sections, Sales Forecast and Cashflow Forecast.

Begin with the **Sales Forecast** by selecting the tab

* Make a list of all the products or services that you plan to sell.
* Under ‘Avg Spend’, put the price that the customer will pay for the product or service.
* Under Cost, enter the cost to you - what it costs you to deliver the service or create the product.
* This could be made up of materials, ingredients, plus travel expenses perhaps.
* Don’t forget to factor in your time and make sure that you aren’t working for less than the living wage. (Though in practice, most self-employed simply carry on working for as long as it takes to make the product or service perfect!)
* The next twelve columns represent the months of the year and here you enter a figure - your estimate of how many products or services you’ll sell in each month. This may be seasonal, or, for example, you may be busier in the summer or in the run down to Christmas.
* The columns on the right will then show you the total number of sales and your income, expenditure, and profit.

Now click the **Cashflow Forecast** tab

* You will see that the Sales Forecast figures are carried over.
* Here you can add further expenses - typical items are listed but you may need to alter these and disregard others
* You should try to add entries in the ‘Drawings/Salary’ line, but you may not be able to afford to take a wage in the first few months of trading. Look at the Closing Balance and make sure the balance leaves you enough headroom to meet unexpected expenses.
* You should also enter the amount of grant you’re applying for in the income section at the top in the Pre-Start column and then add the items you want to buy in the relevant lines below so that they total the amount of grant applied for and the Closing Balance in that column is 0

Other Factors to consider:

1. Note seasonal changes in sales and overheads, such as heating and lighting in winter.
2. Ensure earnings you pay yourself cover your survival income needs.
3. Allow for any delay between sales and income. For example, sales in January may not be paid for until March.

Remember that cash in hand is better than delayed payment terms, especially when you start trading.

1. Do not over-estimate stock levels.
2. Remember that some costs may be spread over a 12-month period and paid monthly or quarterly.
3. Note that some loan periods start dates may vary.

**In some cases, banks and other financial institutions may allow you a repayment holiday of several weeks.**

1. Allow for VAT, in and out, if applicable.

You will have to keep a record of your actual income and expenditure. Comparing this to your plan will give you an idea of how well your business is doing.

**PLEASE NOTE:**

**You will also need to provide copies of receipts for the items or services that you have spent the requested funding on as evidence to confirm that it has been used appropriately. Any remaining or unused funds will need to be returned to Hull City Council.**

This project is funded by the UK government through the UK Shared Prosperity Fund.

The UK Shared Prosperity Fund is a central pillar of the UK government’s Levelling Up agenda and provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK investing in communities and place, supporting local business, and people and skills. For more information, visit <https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus>