

BUSINESS TOOLKIT

Finance and Planning



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5 TOP TIPS

Finance and Planning

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A not for profit social enterprise, set up to provide loans to SME businesses that will help them thrive and grow. Visit www.befund.org



Whether you are a start-up, or an established business, finance and planning are essential to success. Responsible finance providers like BEF play a key role in helping businesses access the finance they need to start, grow and flourish. In this short guide, we detail five top tips to help you ensure your business is finance ready.

1 Have a business plan

A detailed and concise business plan is key to securing funding. The details of a business plan should cover the operational, financial and marketing strategies that you have in place. This helps potential funders to understand your business and your strategy for success. In turn, this understanding enables them to determine the risks involved and the level of funding they will offer.

2 How to manage your business financially

Good financial management is best demonstrated by the proactive maintenance of a financial plan and up-to-date accounts. This is supported by staying on top of your costs and spending, don't slack on invoicing and don't spend prematurely. Actively monitor personal and business credit reports and address any issues promptly as these have a direct impact on the success of a funding application.

3 How to apply for funding

A funding application begins with an honest review of your business objectives, financial position and funding requirements. This will help you understand what level and type of funding is most

suited to your needs. You can then shortlist and approach potential funders with a clear picture of what support you need and why. When speaking to potential funders, be personable and share your story, goals and enthusiasm for your business.

4 What are the known pit falls

Common sources of funding include loans (debt), asset finance, equity (angel) and crowdfunding are common. Each comes with its own strengths and weaknesses for you to consider. Assess each one with respect to the short, medium and long-term impact it will have. If in doubt, seek advice.

5 Planning tips for the future

It's important to maintain a clear understanding of how well your business is doing. Best practice includes the proactive tracking and management of cashflow and debt. This will help you to manage risk and respond confidently to short-term opportunities or threats.

Good marketing can make all the difference to the success of your business. Effective marketing will help maintain interest in your products or services and drive sales. Your understanding of who will buy your products/services and why is central to delivering effective marketing. Market research will help you understand this and the best ways to reach potential customers.

Websites, blogs, social media, public relations, sponsorship and advertising are some of the many methods you could use. Choose the ones that will allow you to reach your potential customers in a timely, achievable and budget friendly manner. Write a plan, review it regularly, focus on what works and change what doesn't.