**Business Plan Template for an Architectural Practice**

**1 Practice overview**

Name of practice owner/s

Name of practice

Business address

Home address

Date business commenced

Legal status

Company number

VAT number

Principal activities

**2 Practice description**

Description of *existing* business:

*Original* strategy and mission statement

*Historic* Customer segmentation:

* Client type
* Industry sector
* Geographic location

*Historic* Project analysis

* Project Size by fee: average and range
* Project Value by construction value: average and range
* Project Size by square metre: average and range
* Project Segmentation by type:

*Historic* Service provided

* RIBA works stages
* Service (architecture, planning, interior design, site supervision etc)
* Planning Permission success record (also listed building, conservation area)

*Historic* Turnover

* Number of projects a year
* Annual fee income

2015 2016 2017

£ £ £

* Trends (% growth)

Since the practice was founded, fee income has grown from £ in year x to £ in 2017.

This represents an annual growth of %.

Average monthly fee income varies between £ and £

**3 Business Strategy for the next 3-5 years**

Our practice aims to ….

**Mission statement**

Our mission is to ….

* *Says what you do*
* *Who you serve*
* *What sets you apart from your competitors*

**Our business objectives are**

1

2

3

4

5

6

…

**Our Unique Selling Proposition is …**

**4 Key personnel**

Details of owner(s) (*attach cv)*

Name

Date of Birth

Position / main responsibilities

Academic and professional qualifications

Experience and knowledge of industry

Previous employment of owner

Employer Position Date

1

2

Most recent salary (per year) £

Business experience and any training undertaken

*Continue on a separate sheet, one page per person*

5 **The marketing plan**

Our architectural practice will be designing and constructing ….. (define service)

To (describe target clients)

Number of clients we expect to work for each year and the average fee

2018

2019

2020

2021

Trends in our chosen sectors

How we know this

Our service is

The features or our service are …

And the benefits to our clients are …

How will we prove the benefits to our clients?

What are the strengths and weaknesses of our service and our solution/s?

Our major competitors their strengths their weaknesses

1

2

3

4

5

How they compare to us and to each other?

How is our practice better than or different from our competitors?

Market research results and evidence

**Our image / brand**

*Describe in words*

Brand Map

**Pricing**

How we calculate our fees

How our fees compare with RIBA benchmark

Reason for our position on fees

**Target clients segmentation**

In the near to medium future, we will focus on the following segments:

Client type % of fee income

* 1
* 2
* 3

Geography % of fee income

* 1
* 2
* 3

Industry Sector % of fee income

* 1
* 2
* 3

**Marketing objectives – fee income by value £**

2018 2019 2020 2021 2022

Sector 1 £ £ £ £ £

Sector 2 £ £ £ £ £

Sector 3 £ £ £ £ £

Other

Total

**Marketing strategy**

Broadly, we plan to achieve our objectives over the next 3-5 years by doing

1

2

3

**Detailed marketing plan for the next 12 months**

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| --- | --- | --- | --- | --- |
| ACTION | By when | By whom | Expected result | Cost |
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Insert calendar

Detailed marketing plan for the next 12 months

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ACTION | MONTH 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
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**5 Fee income forecast**

Total fee income forecast over each of the next 3-5 years

2018

2019

2020

2021

2022

*Explanatory Notes*

Fee income during the first 12 months

Jan 2018 May 2018 Sept 2018

Feb 2018 Jun 2018 Oct 2018

Mar 2018 Jul 2018 Nov 2018

Apr 2018 Aug 2018 Dec 2018

*Explanatory Notes*

**6 Suppliers and subcontractors**

Our key suppliers and their credit terms

Supplier Days’ credit

What we buy from the suppliers

Alternative suppliers

**7 Resources and IT**

Things we need to buy or lease

Resource when how funded cost

IT date cost

Hardware £

Software £

Training £

**8 Premises**

Details and costs of premises, including future needs

**9 Staffing**

Role Total cost Level / experience

(salary, NIC etc)

1

2

3

4

5

**10 Legal Requirements**

PI Insurance

Health and Safety

Other

**11 Financial Information**

How many years have you been in practice?

Financial information for the past 3 years

Year Income gross profit margin net profit margin

2017 £ £ % £ %

2016 £ £ % £ %

2015 £ £ % £ %

Existing financial commitments

Overdraft £

Loan £

Leases £

Other £

Total £

Our total start up costs £

Financial Projections

Projected fee income £

*Less direct costs*

Total direct costs £

Gross Profit £

*Indirect Costs*

*occupancy costs*

*utilities*

*insurance*

*maintenance*

*bank interest/leases*

Total overheads

Calculate annual turnover required to break even

(overheads £/gross profit margin%) = £

Calculate monthly turnover to break even

(break-even sales £ / 12 months) = £

Calculate your estimated profit

Projected annual income from fees £

less break even sales £

£ x % gross profit margin

= PROFIT £

Total borrowing requirements

Amount relating to capital expenditure (such as premises, equipment)

What assets are available as security?

Value of business assets

Value of personal assets

Source of repayment

Net profit generated by business

Other sources (cash)

Key risk areas

Contingency risk areas

**12 Personal asset statement**

Assets

Property

Value of house £

Surrender value of insurance policies £

Cash deposits £

Stocks and shares £

Other assets (car) £

Total assets £

Liabilities

Outstanding mortgage £

Regular payments £

Other outstanding loans £

Total liabilities £

Estimated net assets £