

Lucy's Ledgers

Summary of the Plan

What is the business?

I intend to start up as a sole trader working from home running my own bookkeeping service. My service will involve completing the financial transactions for business enabling them to get on with other jobs, and have better financial control over their business.

What is the market?

From my research I have decided to target my services at people who are just about to start up their own business or become self employed. I intend to initially target the Hedge End and West End section of Southampton.

Potential for business?

I have decided that the most potential for my business to try and attract customers from people who have not yet used the services of a bookkeeper or accountant. From my initial research 43% of respondents stated they would be interested in a bookkeeping service. The people questioned were already established businesses.

Forecast Profit

Within the main body of this business plan you will see my financial strategy. My forecast profit is £10,596 for the first year of trading.

How much money do I want to borrow?

I am looking for an initial investment of £5,000 in order to purchase a car, office equipment, computer and computer software.

Prospects for the investor

The amount requested is relatively small and therefore I feel would not be a major risk to the investor. I wish to retain my status as a sole trader and therefore do not wish to allow the bank to have a stake in my business. Due to my young age my parents are prepared to act as guarantors to this loan application

The Service

I propose to offer the following services

Initially – bookkeeping service to businesses. The businesses will either drop their books off to me or I can pick them up and deliver them back. I will also offer businesses the opportunity to allow me to work on their premises.

Within two years – offer businesses training on how to keep their books using the accounts package Sage.

Within five years – having gained my formal AAT qualifications I will be able to extend my services to include more complex work.

The unique selling point of my service is that I am only offering a bookkeeping service. This service is offered by my competitors but may be more expensive per hour or per job as the businesses also offer accountancy services as well. The competition is mainly based in offices which will give them a higher unit cost as they will have higher overheads than myself.

I intend to target my service in two areas Hedge End and West End. The competition in these areas consist of 3 main competitors. However, there are many competitors that are only within a 10 mile radius of where my business will be located.