

## **Functions of a Business Plan**

### **Assessment Task**

#### **The functions of a business plan (Individual activity) (LO4 AS2)**

Analyse the information below and extract and list 10 functions of a business plan. [10 marks]

A business often compiles a business plan when it needs to apply for a business loan. This is a mistake. You do indeed need a business plan when you apply for a loan, but the business plan is the life blood of your business. It is a blueprint according to which you run and expand your business. Many people think a business plan is only necessary when you plan and start up a new business, but a business plan is vital for running a successful business. It helps you to plan ahead and to allocate your resources appropriately. It helps you to prepare for threats and opportunities. It helps you to optimise growth and profit. You cannot implement proper business expansion plans without using your business plan as a guide.