

TEMPLATE FOR A **START UP VETERINARY PRACTICE BUSINESS PLAN**

FROM SHIRE INSURANCE
& FINANCE BROKERS

Shire Insurance,
1 Calico Business Park,
Sandy Way, Amington,
Tamworth, Staffordshire. B77 4BF

Tel: 01827 306 532
email: info@shireinsurance.co.uk
Web: www.shirevet.co.uk



Planning for the future?

If you have downloaded this template you have most likely considered opening your own veterinary practice. You may already have a location and premises or be actively looking.

Starting a new veterinary practice is a complex affair, obtaining the funds and appropriate advice can take quite a while. Speaking to the right people is paramount.

In our experience you may need all or a combination of the following:

- Financial assistance
- Financial products
- Appropriate insurance - property, equipment, stock
- Support services - accountant, solicitor, buying group
- Veterinary consultancy services - HR, software, management, marketing

Before your dream of being your own boss can begin how you finance your new business must be considered carefully. Be realistic about what you need at the outset and particularly what you can afford to borrow.

Ask yourself the following:

- Can I use savings?
- Is a loan from a family member a viable option?
- Should I borrow from my own bank?
- What about HP and consolidated loans?
- How much security can I provide?

In the following pages you will find a tried and tested template for a veterinary start up business plan. This template has been compiled based upon our knowledge and experience successfully raising finance for veterinary new starts. It should be used when applying to a bank for a business loan.





Purpose

The purpose of this document is to help source the funding for the establishment of a brand-new veterinary practice.

The practice is to be known as

Confidentiality

(You may wish to include something along the following lines)

This Business Plan is being furnished to each recipient on a confidential basis solely for the purpose of obtaining the necessary financing to proceed.

By accepting this Business Plan, each recipient agrees:

- i) Not to copy, reproduce or distribute the Business Plan, or to divulge any of its contents to any person or entity other than those employed by a recipient directly involved in considering this transaction, in whole or in part, at any time without prior consent of (the author).
- ii) To keep permanently confidential all information contained in the Business Plan not already public.
- iii) To use this Business Plan only for the purpose set forth herein.

We suggest that your business plan includes the following information

Executive Summary

Business Objectives (short and medium term)

**Background information about you (the applicant)
and other co directors/partners**

The Team

**Research – demographics, location, competitors,
supply and demand, surveys and statistics**

Marketing Strategy

Summary of Financial Requirements

Executive Summary

An executive summary is the 'front cover' of your business plan

The key to writing a successful summary is convincing a reader that it is worth their time reading your business plan in full.

Its purpose is to provide an overview of your new business plan that summarises the key points and will grab your audiences attention.

Your executive summary should include the following:

Who are you? (tell your story)

What do you want to do?

How do you intend to do it?

Use statements such as xxxxxxx is a new independent veterinary practice offering xxxxxxx services for patients and clients.

The practice is being set up by xxxxxx (list directors/ partners, job titles and previous experience)

The directors/partners have invested £xxxxx and are looking for additional finance of £xxxxx to start the business.

Remember to

Restate the purpose of the report

Highlight the major points

Describe results, conclusions and recommendations

Short term objectives:

Establish the business

- Achieve income of £ in year one.
- Employ members of staff
- Keep - Achieve a client base of patients within the first 12 months.

Long term objectives:

- Increase the number of veterinary surgeons within the practice
- Open a branch surgery to increase accessibility to a larger population.
- Introduce annual appraisals for all staff
- Introduce a clear and structured career path to improve staff retention
- Alter the layout of the premises to provide more space

To achieve the above objectives, will operate with a core team e.g.:-

- Practice Principal –
- Salaried Veterinary Surgeon -
- Practice Manager –
- Other Specialist (E.G Business Consultant) –

Business Objectives

Short and medium term business objectives should be outlined. How will you increase income, control costs and achieve a client base? You may find some of the following useful. This list is by no means exhaustive.



Projected turnover

How will you grow the business?

Who will undertake out of hours work?

Marketing strategy

Accreditation and sustainability policy



Projected turnover

Additional staff recruitment

Staff appraisals

Outsourcing - i.e marketing

Expansion plans - improve existing premises, open a branch surgery, purchase more equipment

Investment in technology/back office systems



Projected turnover

Additional services and product sales

HR and employee health and wellbeing strategy

Out of hours- provide your own service and extend to other practices in the area?

Key decision makers i.e .the business owners should include information about their backgrounds and job experience to date and outline their responsibilities within the new veterinary practice. Include C.V's and photographs.



The Team (always worth including a Structure Chart)

Full details of all staff and their pay rates – funders will check this to your financial forecasts.

Separate details for each key member of Staff. This should include details of qualifications and experience and time at the practice. CV's should be provided as an appendix to the main business plan.

For new owners, details of management experience are particularly important. The fact that you have deputised for the practice owner in the past is important. The fact that you have previously assisted with staff appraisals or been responsible for the drug budget will be seen as a positive by lenders.

If you have never managed a practice before and have no managerial experience, who are you going to get to assist you in the short term? Are you using a firm of specialist accountants who will be able to assist you and produce regular management information that will help you in your role? Do you have access to a mentor?

Think about this section as if someone was asking you to lend them some money to set up a business. What questions would you ask before letting them have your well-earned cash?

Marketing / Advertising

1. What is your budget?
2. How has this been decided and how have costs been calculated?
3. Any experience of previous spends either personally or within the practice?
4. What is the short term/medium term aim?



Competition

1. Who.
2. Independent or "Corporate"?
3. Main Surgery or Branch?
4. How far from your location?
5. Natural Barriers? (e.g. Motorway, River etc)
6. Parking?
7. Pricing?
8. Specialisms?
9. Reputation?
10. Their strengths and weaknesses? (Try to be objective here!)
11. Any other points you consider pertinent.

The Local Area

For Start Up Practices this section is vital as it will show a prospective funder what research you have undertaken and thus support your projections.

The practice is located in (and).

Demographic details of the closest towns/areas of population are as follows:

Town 1 Urban	
Total popn	
Number of Households	
Total Men	
Total Women	
Total popn 15-34	
Total popn 35-54	
Total popn 55 +	

Town 1 Rural	
Total popn	
Number of Households	
Total Men	
Total Women	
Total popn 15-34	
Total popn 35-54	
Total popn 55 +	

Town 2 Urban	
Total popn	
Number of Households	
Total Men	
Total Women	
Total popn 15-34	
Total popn 35-54	
Total popn 55 +	

Town 2 Rural	
Total popn	
Number of Households	
Total Men	
Total Women	
Total popn 15-34	
Total popn 35-54	
Total popn 55 +	

Details from (insert the details of the database you have used)

Insert details of any new proposed housing developments within the area, quoting details of planning permission and/or when the development is due to start.



Summary of Financial Requirements

Figures quoted are based on the figures produced by (who)?

Fixtures & Fittings Value	£
Stock of drugs:	£
Total:	£

The founder(s) will input £ by way of cash. These funds have come from savings/ parental gift/ family loan/ re-mortgage of domestic property.

Alternatively or in addition, the founder will give the lender additional security by way of a first/second charge on a property.

Please be realistic in what you consider your own property to be worth. Websites such as Zoopla will often be able to support the current value of a property.

Lenders will certainly want to see some form of commitment either by way of cash input and/or security. Some lenders will provide 100% finance, but if you want to borrow £1M and are unwilling or unable to provide any input, don't be surprised to get a negative answer.

In any start up situation, a funder will certainly require a minimum of two years financial forecasts. Ideally these should be provided by your accountant. Banks will give more credence to forecasts prepared by those firms seen as specialist veterinary accountants or those with experience of the sector.

The forecasts should include details of any assumptions and what these are based on.

Financial forecasts should contain three elements, being:

1. **Cashflow Forecast**
2. **Profit and Loss Account**
3. **Balance Sheet**

For existing practices the funder will need to see copies of the last three years accounts together with any up to date management information.

Premises

Has a property been identified?

If so, does it require planning permission/change of use?

Is it freehold or leasehold? If the former, how is the purchase price being funded? If the latter, what are the terms of the proposed lease?

N.B Remember a funder will not lend over a period that is longer than the agreed lease.

If you have any agents particulars of the property, a copy should be provided to give the lender a better "picture".



Summary

The foregoing is far from an exhaustive list of what may be required. However, it will give any prospective lender the main details of what you want and how you are going to pay it back.

As a final tick list reminder, you will also need to submit: -

1. An asset and liability statement for each individual associated with the loan.
2. Copies of your own personal bank statements for the last six months.
3. "Proof" of any financial input, not included in the above bank statements.
4. An up to date CV for each participant.
5. A copy of your business plan.
6. Copies of the financial forecasts that have been prepared.

Hints & Tips

- Try and use bullet points rather than long paragraphs of words.
- Be objective and factual.
- Make sure that any assumptions are backed up by sound reasoning. If you are going to double turnover in six months state the reasons you believe this is possible and what additional resources will be needed to accomplish this point.
- If there are weaknesses in your plans then highlight them and note how they will be overcome. Funders will always spot the "elephant in the room".
- When finished, get someone else to read it through as a "sense check".
- The use of charts/maps/pictures will help to break up the text. A map of the location, including the competition will be particularly useful.

If you would like more information about starting your own veterinary practice, you can download our guide [here](#)



Organisations

Listed below are a few of the businesses and non for profit organisations Shire have worked with for many years. You may find their services and products useful.



GREG ELLIOT – LIVE WELL VETS, SOUTH WALES

“I can fully recommend Keith Dickinson and his team at Shire who were incredibly supportive and helpful to me as I was setting up my new veterinary practice.

Arranging the money was a difficult process, but they were able to deliver just when it mattered.”

LAURA WARING – TEME VETS, LUDLOW

“The process was far from straight forward with various setbacks and hurdles along the way. We wouldn't have got the deal across the line had it not been for Graham's help and advice.

I would not hesitate to recommend Graham and Shire to anyone looking to source funding when starting out.”

Shire have been supporting veterinary practitioners to establish their own businesses for almost 40 years. In addition to securing finance we also arrange business insurance, professional indemnity, locum insurance and individual key person cover, employee benefits schemes including veterinary health cash plans and group private medical insurance to support the mental, physical and financial wellbeing of your team.

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