

WRITING A FUNDABLE BUSINESS PLAN

GLBFA-GUIDE-015 | How to write the plan a funder will actually back

For SMEs, start-ups, growth businesses and Growth Hub Advisors

Practical business finance guidance — a Business Lincolnshire resource for SMEs, start-ups and growth businesses preparing to make better funding decisions.

01 What funders are really reading for	02 How to structure the plan	03 How to adapt for different funders	04 Common mistakes to avoid
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START: Use this guide alongside the other Finance Accelerator resources, and book a Funding Diagnostic Session when you are ready to discuss your options.

ABOUT THIS GUIDE

A business plan is not a form to fill in. It is an argument — that this business is worth backing, made to someone who has never met you and has every reason to say no.

Most plans fail not because the business is weak, but because the argument is buried. Twenty pages of description, no clear ask, and the strongest evidence hidden on page fourteen. The funder stops reading long before they find it.

This guide sets out how to structure a plan that answers a funder's questions in the order they ask them, and how to adapt the same plan for the three routes: debt, equity and grants.

Write for the reader, not the file

Assume your reader is busy, sceptical, and reading your plan alongside twenty others. Every section should earn its place by answering a question they are actually asking.

SECTION 1 — WHAT A FUNDER IS REALLY READING FOR

Whatever the funder, they are working through the same underlying questions. Your plan should answer them in roughly this order.

The question	What it means	Where it belongs
Do I understand what you do?	In one sentence, without jargon.	Executive summary
Is there a real problem?	Evidence, not assertion, that customers need this.	Problem and market
Can you solve it?	A clear product or service, and why it is better.	Solution and differentiation
Is anyone buying?	Traction — the strongest signal you have.	Traction and evidence
Does it make money?	The model, the margins, the unit economics.	Business model
Can you deliver?	The team, honestly described.	Team
Do the numbers hold up?	Credible figures with assumptions shown.	Financials
What do you want, and what happens then?	The ask, the use of funds, the return or repayment.	The ask
What could go wrong?	Risks named, with mitigations.	Risks

If your plan answers those nine questions clearly, it is doing its job. If a section does not serve one of them, ask why it is there.

SECTION 2 — SECTION BY SECTION

The executive summary	Problem, market and solution
Keep it to one page — if it takes two, the argument is not sharp enough yet. Lead with your strongest fact: revenue, growth, a marquee customer or another persuasive proof point. State the ask plainly: how much, for what, and on what basis.	Show the problem is real and that people already spend money trying to solve it. Size the market from the bottom up and cite your sources. Describe what you actually sell in plain terms, then explain why you and what stops someone else doing this.
Use Guide 14 alongside this section Market Evidence and Validation covers what counts as evidence, how to size a market honestly, and how to avoid the "if we just get 1%" fallacy.	
Traction and evidence	Business model and team
If you have customers, revenue, repeat purchases, contracts or a pipeline, this is your most valuable section. Put it early and make it concrete: numbers, names and dates — not adjectives. Use the strongest proof first, not the longest narrative.	Explain how you make money, at what margin, and whether the economics improve as you grow. Set out who does what and why they are credible — relevant experience, not job titles. Be honest about gaps and how you will fill them.

FINANCIALS, THE ASK AND RISK

Two things matter in the financial section: that your historical numbers are accurate, and that your forecast is explained. Every forecast year should be built from drivers you can defend — units, prices, conversion, headcount — not a percentage growth line drawn upward.

The hockey-stick problem

A forecast that leaps upward with no stated assumptions is the fastest way to lose credibility. Build it from the bottom up so each number can be challenged and defended.

The ask should state the amount, what it will be spent on, and what it unlocks. Then close the loop: for a lender, how it will be repaid; for an investor, how they eventually get a return; for a grant, what public benefit it delivers.

Every business has risks. A plan without a risk section reads as naive, not confident. Name the three or four that genuinely matter and say how you would manage each.

SECTION 3 — ONE PLAN, THREE FUNDERS

You do not need three plans. You need one strong plan, with the emphasis shifted to suit the reader.

Funder	What they weigh most	Emphasise
Bank / lender	Can you repay, and what if you cannot?	Cashflow, trading history, affordability, security and sensible borrowing purpose.
Equity investor	How big can this get, and how do I get a return?	Growth, traction, defensibility, unit economics and the exit.
Grant assessor	Is this needed, deliverable and good value for public money?	Additionality, innovation, public benefit, project plan and evaluation.

Check the route first

Before you write, be sure which funding route actually fits. The Funding Selector will point you to the routes worth exploring, and the Finance Readiness Check will tell you whether you are ready to approach them yet.

SECTION 4 — COMMON MISTAKES

- **No clear ask** — the funder should never have to work out what you want.
- **Burying the evidence** — if you have paying customers, that belongs on page one, not page fourteen.
- **Top-down market sizing** — "if we capture just 1%..." tells a funder you have not thought it through.
- **Unexplained forecasts** — growth without drivers is a wish, not a projection.
- **Hiding the weaknesses** — funders find them anyway. Disclosure builds trust; discovery destroys it.
- **Jargon and padding** — long words and filler make a plan harder to believe, not more impressive.
- **No risk section** — reads as naivety, not confidence.
- **Inconsistent numbers** — if the summary, the financials and the ask disagree, everything is doubted.

A final check before you send

Read the plan as if you were the funder. Ask: what am I being asked for, what is the evidence, and what could go wrong? If any answer is unclear, fix it before it goes out — because that is exactly what they will ask you.

Get a second read

Nothing replaces someone experienced reading your plan cold and telling you honestly where it is thin. That is precisely what a Funding Diagnostic Session is for.

START YOUR JOURNEY TODAY

Visit our website to learn more and access support

Ready to move forward?

Book a fully funded Funding Diagnostic Session — a one-to-one with a Greater Lincolnshire Growth Hub Adviser who will read your plan with a funder's eye, tell you where it needs work, and help you plan the right next step.

FIND OUT MORE

- Book a fully funded Funding Diagnostic Session
- Access Finance Accelerator tools and templates
- Speak to an experienced Business Lincolnshire adviser

FIND OUT MORE



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