

How to...

Bid for Investment



Whether it is for the BiG Challenge or an investment opportunity for your school business, you will need to provide potential investors with certain pieces of information.

Frances Wells, of FWA Sustainability Consulting, delivers her top tips on writing a successful case for investment:

Give the investors what they ask for

Make sure you understand what the investor wants to know about your business by reading the brief thoroughly.

The first time you read the brief try to understand the big picture that you need to get across: how this opportunity will transform your business and how this fits in with the interests of the investors.

Read it again closely to spot key words and phrases that suggest specific things the investors are looking to see. Make a note of these so that you can refer to them throughout your bid writing.

You must answer all points in the brief; you will not impress the investors by writing an elaborate business case which does not give the information they have asked for and that they need to make a decision.

What might you be asked about?

The information you are asked for will vary depending on who the investors are and what they are looking to invest in. However it is likely that you will have to write about:

Business Objective – This is the specific goal that you hope to achieve if your business receives investment.

To make this objective clear you may first have to explain your overall business model (i.e. what you do - with what and who - and how that makes profit) and general objectives. You can then explain why this more ambitious objective will take your business to a new level.

Remember! Your business objective is different to your plan of action; tell the investors **what** you want your business to achieve but save **how** you are going to do this for a different section.

BiG Challenge Example: "We want to expand the business and are keen to look for new outlets to sell to/from. This includes opening an eBay shop which incurs monthly charges. By opening an eBay shop this will allow our business to be seen worldwide and will increase our revenue." Get Shirty, Meadowhead School.

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Financial Plan – This requires you to state what you will spend the invested money on and how and why this will help you to meet your stated Business Objective.

You could tackle this as a two part explanation. Begin with a 'narrative', an explanation of what you will spend the investment on and how this will lead to an increase in profit.

Be specific! Mention exact products and suppliers as this shows that you have done your research, you are serious about developing your business and your plan is based on fact not guesswork.

Your narrative should lead to an accompanying summary of spend, predicted sales and income, all set against a timeline. Show the investors what spend happens when and the events or opportunities that trigger sales income. A spreadsheet is a good way to show this information.

Your Track Record – This is your opportunity to sell yourselves and your business to the investors! Ask yourselves, "Why should the judges invest their money in our business? How can we prove that we are worth investing in?"

BiG Challenge example: "Our business up to now has been very successful, as we have sold over 40 photographs and our total sales figure is over £200, making £150 profit when you take off the amount for paper, ink and frames." *Paparazzi Stars, Stocksbridge High School.*

Tell them how the skills of each group member complement each other and how you work together well as a team. Don't be afraid to say that you are constantly learning new things and that you enjoy the process of running a business.

Demonstrate that you know your business as this qualifies you to make the predictions that you gave in your financial plan. You could provide some more figures in this section which show how you have already spent money strategically and how much profit this has resulted in.

To find out more about FWA Sustainability Consulting go to www.fwaconsulting.com



Quick Tips

- Explain what you want and why very clearly right at the beginning of your business case.
- Tell it in your own words, don't just copy the words of the brief.
- Use your flair to make the business case clear, appealing and unique to your business - but don't stray from the key messages!
- Ask someone outside of the business to read the business case to check they understand the 'what', 'why' and 'how'.
- Give details of your website, Facebook page, Twitter account etc and make sure that these are up to date with positive news items.
- Make sure your figures add up and are realistic; the same goes for timescales.
- Check, check and check again. Pay particular attention to grammar and spelling as small mistakes will form a bad impression of your business, regardless of how good your ideas are.

**For more information
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