



SIT

social innovation teams

iPlan

Simple financial plan for new organizations

Giorgio Di Maio & Paolo Landoni

iPlan is a tool to estimate in a simple way market demand, financial results (economic sustainability) and financial and impact indicators of new organizations

iPlan is

- a spreadsheet for the financial data



- a document to explain the data and the assumptions



iPlan package includes

- The .xlsx and the .docx files ready to be filled-in
- A starting guide
- A detailed reference manual
- A set of examples
(for each example the compiled spreadsheet file and a document describing the assumptions are provided)

FOR INNOVATORS AND ENTREPRENEURS

- allows to focus only on the assumptions and the data collection
- helps to quickly understand the impact on financial and impact indicators of changes in one or more assumptions and data
- allows easier comparisons between the financial plans of different business models

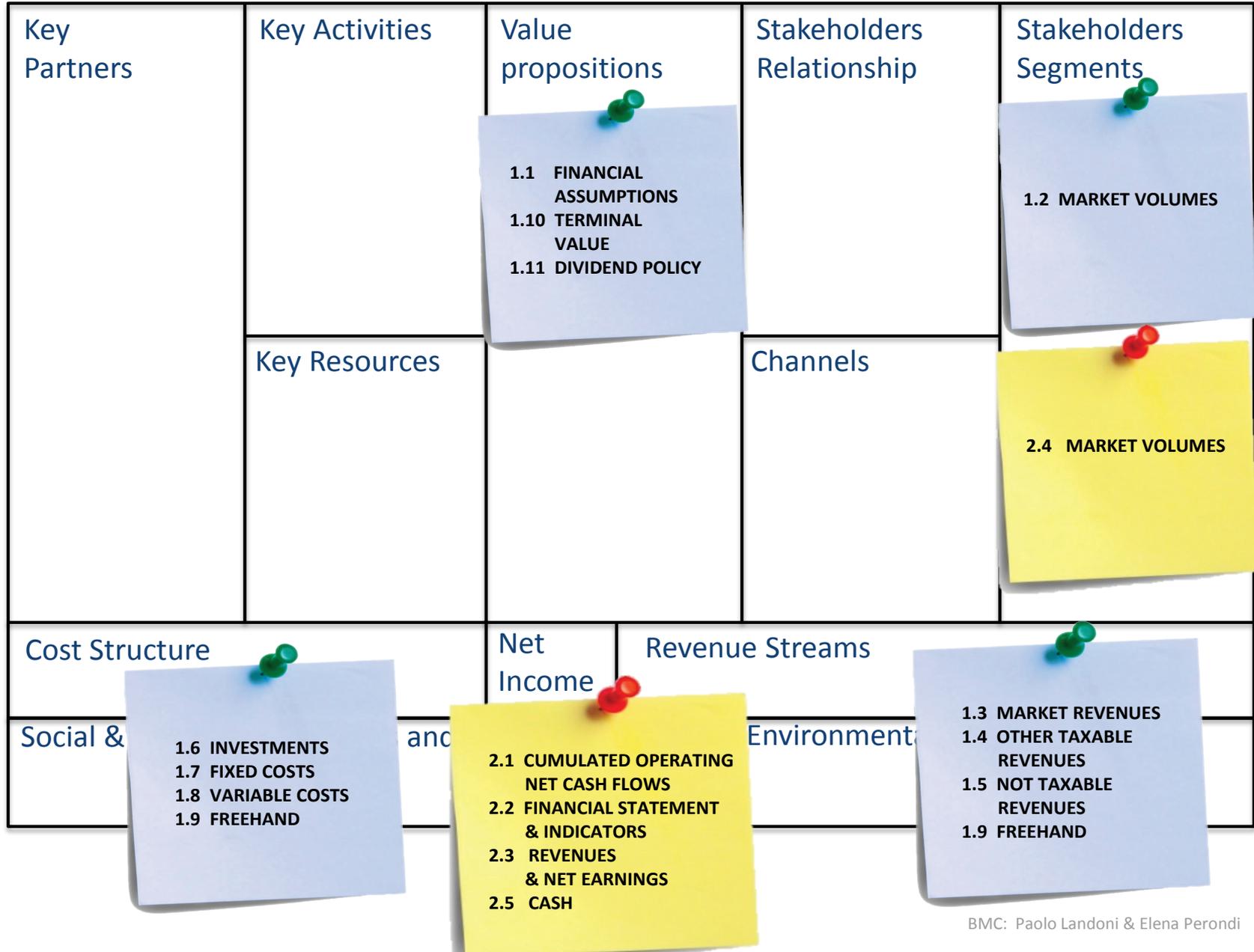
FOR BUSINESS PLAN EVALUATORS (e.g. VENTURE CAPITALS)

- allows easier comparisons between the financial plans of different organizations
- allows to understand the effort and the quality of the assumptions and the data collection
- helps to quickly understand the impact on financial and impact indicators of changes in one or more assumptions and data

- A critical phase in the development of a Business is the collection and management of data and assumptions, the development of financial estimates and the evaluation of the new organization performance over time.
- iPlan is a spreadsheet and a set of guidelines to facilitate this phase, i.e. to write the **Financial chapter** of the Sustainability (Business) Plan.

- The following figure shows the relationship between iPlan and the Sustainability Model Canvas (SMC), i.e., a canvas that adapts the Business Model Canvas by Osterwalder et al. (2010) for organizations that care for sustainability and social impact.
- The figure shows the correspondence between the sections of the SMC (e.g. cost structure, revenue streams) and the iPlan worksheets (e.g. fixed costs, market revenues).

iPlan and Sustainability Model Canvas (Business Model Canvas)



iPlan's is a spreadsheet file (.xlsx), whose worksheets are organized in the 3 sections shown in the next figure:

- Section 1 - **Assumptions** - is the main section of iPlan, in which you can insert your business plan's data
- Section 2 - **Results** - shows the outcomes of the business plan both in terms of indicators and graphs
- Section 3 - **Computations** - contains the worksheets with the calculations. (If you're not interested in checking the formulas used in iPlan and the intermediate results you can skip it completely)

iPlan

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ASSUMPTIONS

- 1.1 [Financial Assumptions](#)
- 1.2 [Markets Volumes](#)
- 1.3 [Markets Revenues](#)
- 1.4 [Other Taxable Revenues](#)
- 1.5 [Not Taxable Revenues](#)
- 1.6 [Investments](#)
- 1.7 [Fixed Costs](#)
- 1.8 [Variable Costs](#)
- 1.9 [Freehand](#)
- 1.10 [Dividends](#)
- 1.11 [Terminal Value](#)
- [Do It Yourself](#)

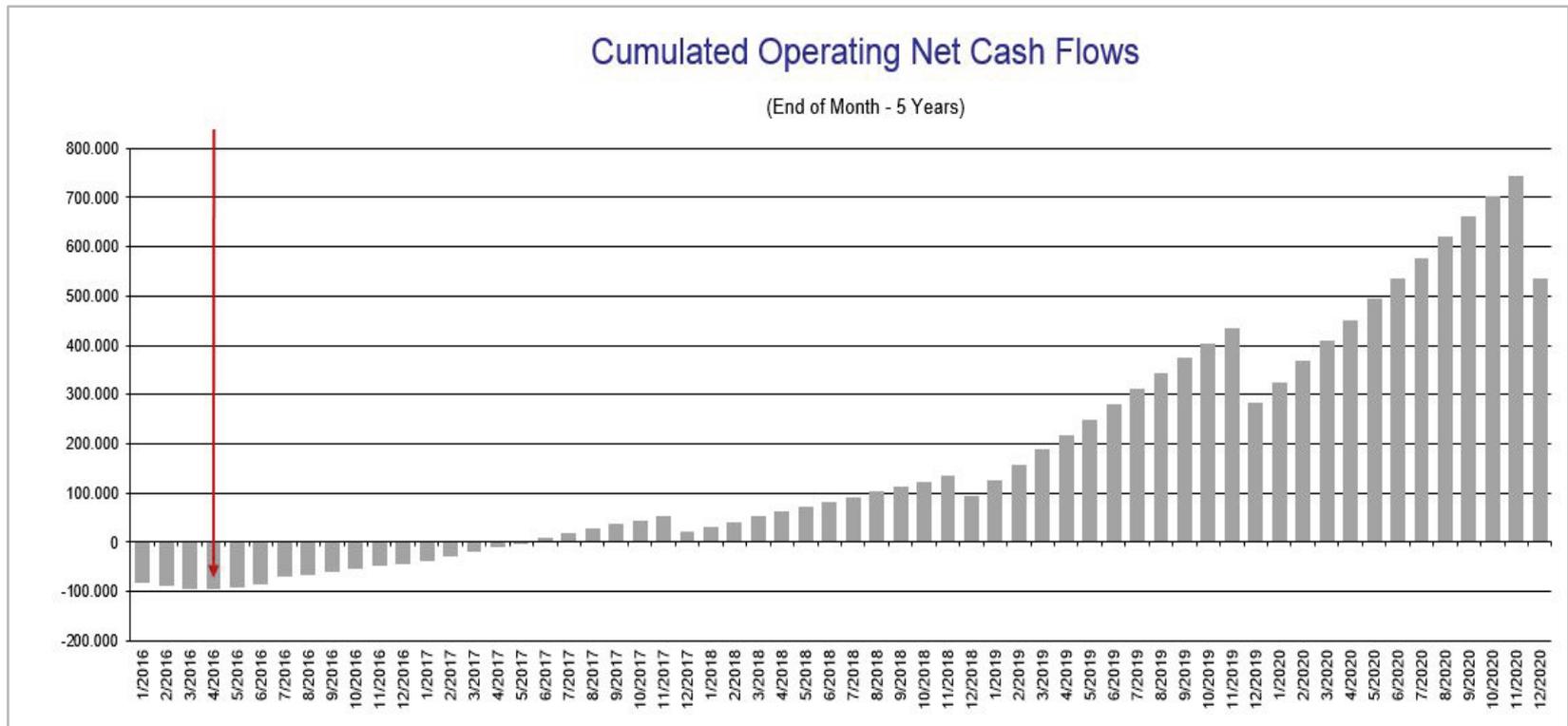
RESULTS

- 2.1 [Cumulated Operating Net Cash Flows](#)
- 2.2 [Financial Statement & Indicators](#)
- 2.3 [Revenues & Net Earnings](#)
- 2.4 [Market Volumes](#)
- 2.5 [Cash Balance](#)

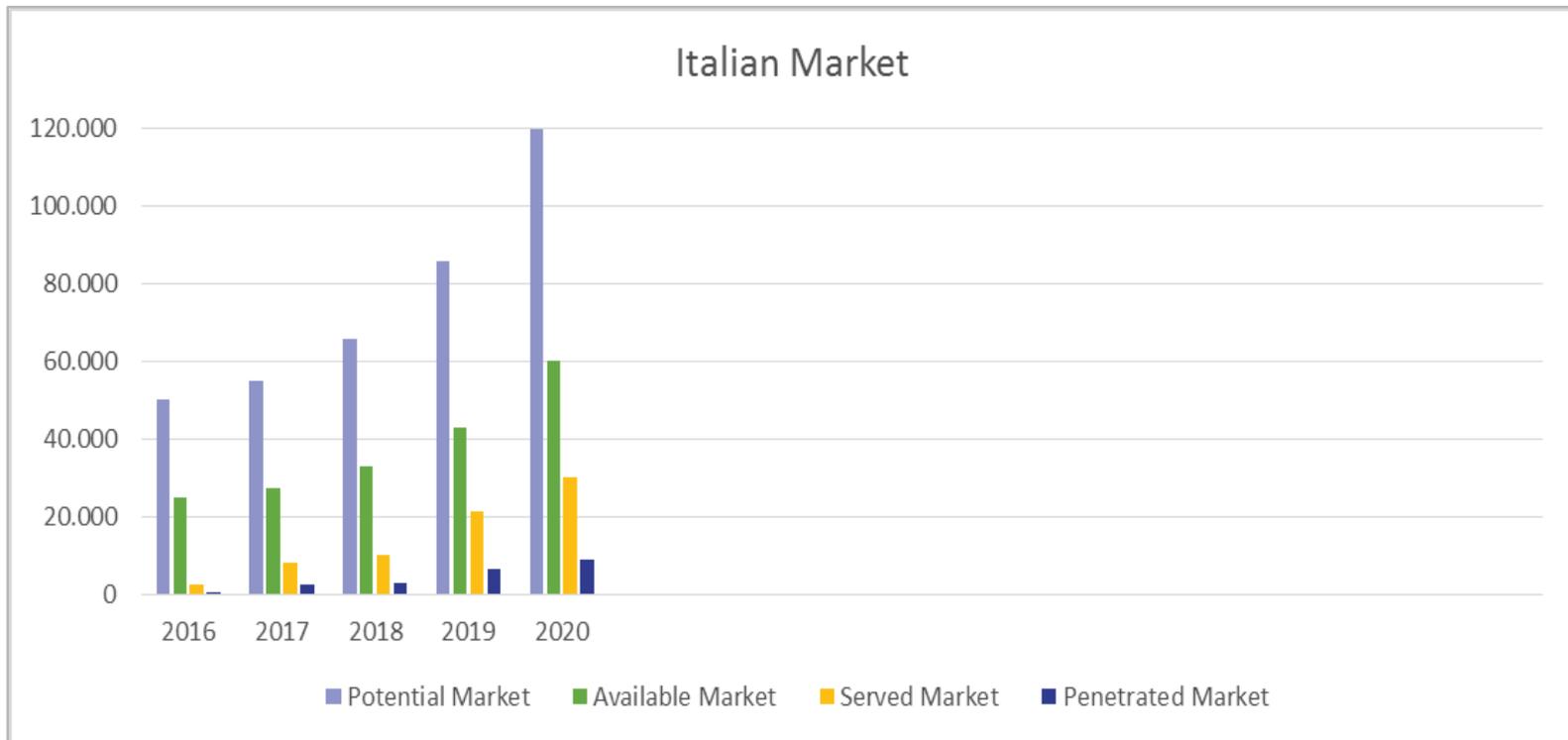
COMPUTATIONS

- 3.0 [Discount Factors](#)
- 3.1 [Taxable Revenues](#)
- 3.2 [Depreciations](#)
- 3.3 [Bank Overdraft](#)
- 3.4 [Mortgage](#)
- 3.5 [Mortgage Cash Flows](#)
- 3.6 [Taxation Data](#)
- 3.7 [Income Statements & Taxes](#)
- 3.8 [Cash Flows](#)
- 3.9 [Operating Income Statements & Taxes](#)
- 3.10 [Operating Cash Flows](#)
- 3.11 [NPV & IRR](#)
- 3.12 [Capital](#)
- 3.13 [Periods](#)

- The amount of **cash** available in each period
- Cumulated net cash flows and **financial need**



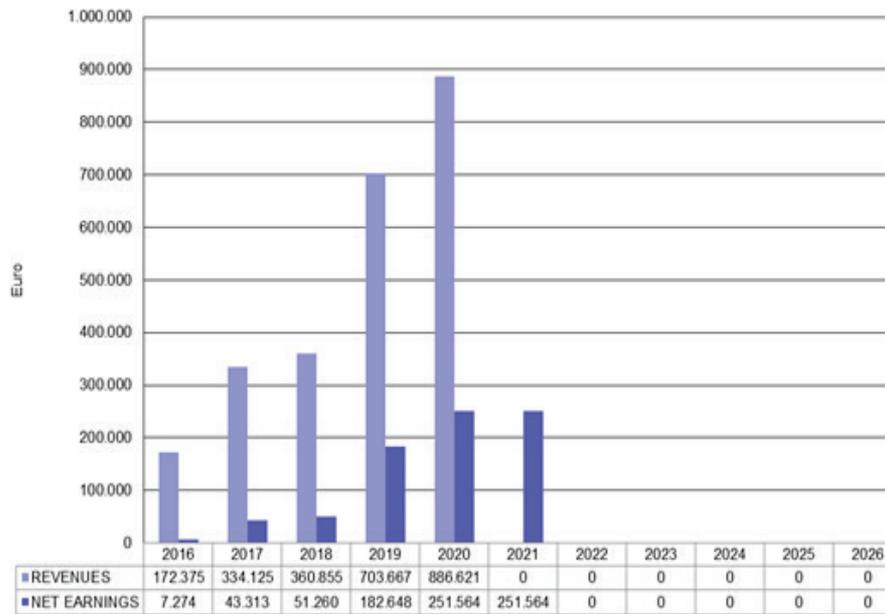
- The **market volumes**, showing the potential, the available, the served, and the penetrated markets for each year of the business plan



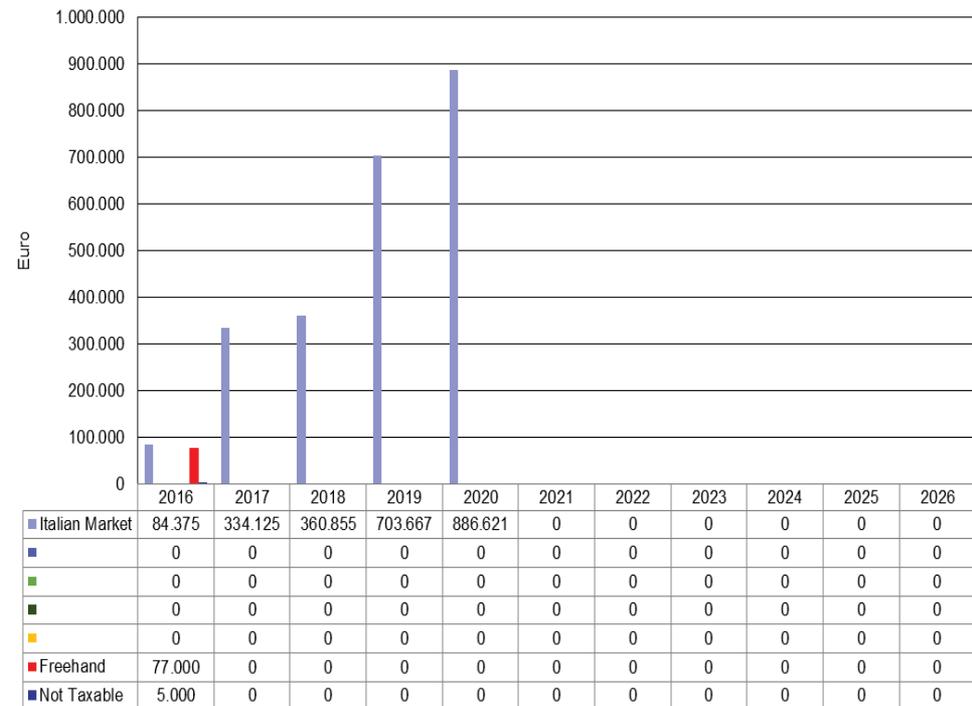
- Financial statements of the organization,
 - i.e., **balance sheet, income statement, and cash flow statement,**
- Financial and Impact indicators
 - **Net Present Value (NPV) and Internal Rate of Return (IRR)** of the business, according to the shareholders' perspective,
 - the Return on Equity (ROE) and Return on Investment (ROI) of the business
 - Social Impact Indicators

- The **revenues** and **net earnings** of the business, and the revenue segmentation, i.e., how each market contributes to total revenues

Revenues & Net Earnings



Revenue Segmentation



“Income Statements, Balance Sheets and Cash Flow Statements are really important at two points in your startup.

- First, when you pitch your idea to VC’s, you need a financial model showing VC’s what your company will look like *after you are no longer a startup* and you’re executing the profitable model you’ve found. If this sounds like you’re guessing – you’re right – you are. But don’t dismiss the exercise. Putting together a financial model and having the founders understand the interrelationships of the variables that can make or break a business is a worthwhile exercise.
- The second time you’ll need to know about Income Statements, Balance Sheets and Cash Flow Statements is after you’ve found your repeatable and profitable business model. You’ll then use these documents to run your business and monitor your company’s financial health as you *execute* your business model.”

Steve Blank

<https://steveblank.com/2010/02/22/no-accounting-for-startups>



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Social Innovation Teams (SIT) support research and innovation projects with significant social and environmental impacts

SIT involves in these projects students, researchers and professionals interested in contributing with their capabilities and their competences

For further information and suggestions: www.socialinnovationteams.org