

## ANNEX GUIDE FOR THE READING AND THE FILLING OF THE EXCEL MODEL

Sheet 1: Start from "Investment Plan" sheet. – SECTION 8a BUSINESS PLAN	
<b>Step 1:</b>	Fill the grid adding, in different line, the investments you need to start your Community Enterprise.
<b>Steps 2:</b>	For each cost, you have to declare (columns from B to F):
	a. The kind of investment: it is connected to a building, or are some kind of good, or intangible assets? In the sheet you can choose from the categories on the left, and add more categories, if needed.
	b. What good (tangible or intangible) or service you want to buy.
	c. Its total cost.
	d. How many years are needed for its depreciation (e.g. usually a computers life is 5 years).
	e. In which year during the start-up phase you will buy it (from 1 to 5).
<b>Step 3:</b>	For each item, in column L, you can switch to "yes" if this specific asset is covered by a grant contributing to reduce its cost. If yes, you have to indicate in what percentage the grant contribute to buy it (e.g., 70% means that the donor give you this percentage, and you have to add the other 30%).
<b>Step 4:</b>	The sheet will automatically calculate for each row the cost for depreciation which will be reported in the budget in each year, and the cost reduction share in the case of grant.
<b>Step 5:</b>	Complete your "shopping list" this way, and your investment plan will be done!

Sheet 2: Open the "Sources of coverage" sheet. – SECTION 8b BUSINESS PLAN	
<b>Step 1:</b>	If you had filled the "Investment plan" sheet, you'll find in the "Uses" side of the sheet the total amount of the investment you need for each category. You don't have to work on this side of the sheet: if any change is needed, you have to come back to the previous step.
<b>Step 2:</b>	On the "Sources" side you have to individuate how you will cover the cost: what kind of financial resources you will activate?
<b>Step 3:</b>	Please note that the plan is divided in years from the beginning of start-up, and that:
	a. In row 3 you find the total amount of resources you declared below.
	b. In row 4 you find the gap between the money you need (i.e. the costs) and the resources you individuated. If this data is a positive number, very well! If not, you have to think a little more on this.
<b>Step 4:</b>	The sheet will automatically add the grants you declared in the previous phase, in row 5.

<b>Step 5:</b>	So, you have to indicate, in each year, the total amount of resources you foresee you will activate/find, choosing from the different kind of sources.
<b>Step 6:</b>	<p>Pay attention! There are two main kind of sources.</p> <p>a. Some of them are only financial: if you use personal saving, or you collect share of capital from the community, there isn't a real income. This money is a debt you'll have with someone. But remember: if you use a loan from a bank, the money they give you are "neutral" on the revenue / cost sheet (you'll fill it later), but the interest on the loan are a cost!</p> <p>b. Some of them have an economic aspect too. If you start a crowdfunding campaign, there is actually an amount of money that become an income for your enterprise. So, you have to remember you have to enter them in the forecast budget in the same year. The grant directly connected with the investments, declared in the investment plan and automatically calculated among the sources, are also automatically put in the forecast budget, so, not double it!</p>
<b>Step 7:</b>	To make your enterprise sustainable, make yourself sure you found out, in perspective, all the resources needed to cover the investments you want to do.

<b>Sheet 3: Open the "Sources of coverage" sheet. - SECTION 8b BUSINESS PLAN</b>	
<b>Step 1:</b>	<p>Too much information? You need to have, with a single look, the idea if all your needs in terms of investments are covered?</p> <p>Don't worry, just open this sheet, and you'll find the updated situation!</p> <p>Pay attention if there are one or more years in which there is any difficulty.</p>

<b>Sheet 4: Forecast budget – SECTION 11 BUSINESS PLAN</b>	
how to calculate the enterprise's economic structure.	
There are 4 sections. You can start form any of these sections, but <b>remember to fill them all.</b>	
<b>Section 1:</b>	Revenues from activities, i.e. the incomes from the normal/typical activity of your Community Enterprise, its actual "business"
	1. Use a row to analyse each single activity.
	2. Declare:
	a. The activity area in your enterprise.
	b. The item (service or good) we are talking about.
	c. The price you think to apply to buyers.
	d. The number of items you foresee to sell on average in each period.
	e. The kind of period are you considering (e.g. day, week, months...).
	f. The number of periods in the year (e.g. if you choose month, of course there are 12 months in a year... but, if year activity is seasonal, you may have to consider a lower number of months in which you have this revenue).

3. The sheet will calculate the total amount for each raw and for the section

**Section 2:**

Fundraising revenues, i.e. the incomes from specific campaigns or grants given by donors.

1. Use a row to analyse each single campaign.

2. Declare:

a. The amount you foresee to raise on average in each period.

b. The kind of period are you considering (e.g. day, week, months...).

c. The number of periods in the year (e.g. if you choose month, of course there are 12 months in a year.. but, if year activity is seasonal, you may have to consider a lower number of months in which you have this revenue).

3. Please note that the "grant covering investments" row is automatically filled from the "investment plan" sheet.

4. The sheet will calculate the total amount for each raw and for the section.

**Section 3:**

Variable costs, i.e. the costs you have depending from how many good/services you sell (e.g. raw materials... the cost of production specifically connected to any good/service sold).

1. The sheet will automatically name each row from the item you filled in the "revenues from activities" section. You have to complete each row.

2. You can choose between two kind of calculating the cost:

a. By a percentage of the selling price: if you choose this, you have to simply indicate how percentage of selling price represent the production cost, and the sheet will calculate it.

b. By the total cost per unit of good and service: in this case, you have to indicate the fixed cost you have for unit of good/service sold.

c. You have to fill only the column "kind of price" and, if "a" option, "percentage of price", if "b" option, "fixed cost".

3. The sheet will calculate the total amount for each raw and for the section.

**Section 4:**

Fixed costs, i.e. the costs you have in any case, because the don't depend from the quantity of activity done.

1. For each kind of fixed cost, in each row, you have to declare:

a. The cost you think you'll have in each period you consider.

b. The kind of period are you considering (e.g. day, week, months...).

c. The number of periods in the year (e.g. if you choose month, of course there are 12 months in a year.. but, if year activity is seasonal, you may have to consider a lower number of months in which you have this revenue).

d. You can add a multiplier, if you need it (e.g., if you have several workers with the same characteristics, you can enter here their number).

2. The sheet will calculate the total amount for each raw and for the section.

**Final results**

	1. The sheet will calculate the total of revenues, the total of costs, and the final result.
	2. You have to do all this operation for each year of activity (we suggest analysing 5 years of activity). In this way you can see the changes of activity.

<b>Sheet 5: Open the “Budget summary” sheet. - SECTION 11 BUSINESS PLAN</b>	
<b>Step 1:</b>	Read the previous sheet can be difficult. So, you can use this summary to have a simpler idea on your enterprise sustainability. This sheet automatically gives you revenues, costs and result for each year, and also an aggregate result (you could have the strategy of have a negative result in the first years which is covered by the positive result in the following).

<b>Sheet 6: Open the “Cash Flow” sheet. - SECTION 11 BUSINESS PLAN</b>	
<b>Step 1:</b>	In this sheet you find a cash-flow. It is divided in month in the columns, and in kind of revenues and costs in the rows.
<b>Step 2:</b>	Each month must be activated
<b>Step 3:</b>	In line 6, in the first month you want to consider, enter the amount of money your enterprise has at the beginning of this month.
<b>Step 4:</b>	Fill the total amount of incomes and costs you foresee you will have for each category of them. You have to esteem not only “how much” you will gain or pay, but also “when”!
<b>Step 5:</b>	Automatically calculating the total of incomes and costs, the sheet will give you some useful information: <ul style="list-style-type: none"> <li>a. The final balance, i.e. if in this very month incomes are more ore less than costs, and how much.</li> <li>b. The cash availability, i.e. how much money you’ll actual have at the end of this month.</li> </ul>
<b>Step 6:</b>	Activating the following month, the sheet will automatically report the cash availability, so you can start to fill also this month.
<b>Step 7:</b>	You have to make these operations for each month, filling income and costs and activating the following month, and so on until you reach the period you need.
<b>Step 8:</b>	Of course, if the cash availability is negative, it means that you won’t pay all the costs you will have in this month; so, you have to find out a solution!

Sheet 7: Open the “Cash flow summary” sheet. - **SECTION 11 BUSINESS PLAN**

**Step 1:**

To make easier the reading of cash flow situation, this sheet gives you automatically, for each month, the total amount of revenues, costs, balance and cash availability, helping to find out when the financial difficulties could happen.