



Startup in IT

UNIT 4



Personal Financial Statement

A personal financial statement is a document or spreadsheet outlining an individual's financial position at a given point in time.

Personal Financial Statement

Name		Birthdate		Social Insurance No.	
Street Address		City		Province	Postal Code
Home Phone No.	Residence Own <input type="checkbox"/> Rent <input type="checkbox"/> Other <input type="checkbox"/>		How Long At Present Address? ____ Years ____ Months		
Occupation	Currently Employed By (Include Address)		How Long With Employer? ____ Years ____ Months		
Employer's Phone No.	Married <input type="checkbox"/> Single <input type="checkbox"/> Separated <input type="checkbox"/> Note: Single Includes Divorced And Widowed		Number Of Dependents ____		
Your Principal Financial Institution And Address					

Personal Data On Your Spouse

Note: Under the laws of Canada or the provinces, your spouse may have a legal interest or obligation arising from your business dealings and may also have an interest in your personal assets

Spouse's Name	Birthdate	Social Insurance No.
Occupation	Currently Employed By (Include Address)	How Long With Employer? ____ Years ____ Months

Financial Information

Assets		Liabilities			
List And Describe All Assets	Value	List Credit Cards, Open Lines Of Credit And Other Liabilities (Including Alimony And Child Support)			
			Balance Owning	Monthly Pmt	
Total Chequing Balances	\$	Bank Loans	\$	\$	
Total Savings Balances	\$	Real Estate Mortgages (See Schedule B, Page 2)	\$	\$	
Life Insurance Cash Value (See Schedule C, Page 2)	\$	Personal Lines of Credit	\$	\$	
Automobile Make Model Year	\$	Car Loans	\$	\$	
Stocks & Bonds (See Schedule A, Page 2)	\$	Monthly Rent Payment		\$	
Accounts/Notes Receivables (Please Itemize)	\$	Credit Cards (Itemize)	Limit		
	\$		\$	\$	\$
	\$		\$	\$	\$
Real Estate Owned(See Sched B, Page 2)	\$		\$	\$	\$
Retirement Accounts (e.g., RRSPs)	\$	Other Obligations (Please Describe)			
Other Assets (Household Goods, Etc.)	\$		\$	\$	
Other (Describe)	\$		\$	\$	
Other (Describe)	\$	Total Monthly Payments (Far Right Column)		\$	
Total Assets (I)	\$	Total Liabilities (II)	\$		
		Net Worth (I - II)	\$		



Personal Financial Statement

- Assets and liabilities outside business.
- Personal net worth for each owner (Total Personal Assets – Total Personal Liabilities)
- Key for business financing clarity.
- Owners may use personal assets.
- Shows available assets for business.
- Investors and bankers require details.

Startup Expenses and Capitalization

- **Startup Expenses:**

The initial costs required to establish and launch a business.

List of individual items required to start the business.

Includes every necessary resource for business launch.

Examples - Legal & Registration Costs, Office/Store Setup, Equipment.

- **Capitalization:**

Total required investment to launch the business and sustain the business until it becomes self-sufficient.

Represents the full cost of resources planned to be leveraged.

Example - Investor Contributions, Bank Loan, Owner's Investment.

Entrepreneurs Should Clearly List:

- **Startup Expenses:**
Every cost associated with getting the business operational.
- **Associated Costs:**
Each item's specific cost breakdown. Ex- Expense Category such as Rent, Equipment, Marketing **etc.**
- **Unusual or Expensive Items:**
Brief explanation of capital-intensive or expensive items.
Highlight any large upfront costs for critical items.

Startup Expenses and Capitalization



Equipment & Technology:	Unit Cost	Quantity	Total
Apple iMac or MacBook Pro	\$ 1,500.00	(4)	\$ 6,000.00
External Monitor	\$ 300.00	(4)	\$ 1,200.00
Apple Mac Mini with OS X Server	\$ 999.00	(1)	\$ 1,000.00
HP Office-jet Pro	\$ 800.00	(1)	\$ 800.00
Apple Airport Extreme Wireless Internet Router	\$ 199.00	(1)	\$ 200.00
Cannon Digital Camera	\$ 500.00	(1)	\$ 500.00
Credit Card Machine	\$ 200.00	(1)	\$ 200.00
Apple OSX Server & Remote Desktop	\$ 19.00	(1)	\$ 20.00
Apple X-Code & Google Android Kit-Kat	\$ 0.00	(1)	\$ 0.00
Adobe Creative Suite Master Collection CS6	\$ 2,500.00	(1)	\$ 2,500.00
Microsoft Office Professional for Mac	\$ 220.00	(4)	\$ 880.00
CRM, HR, Accounting, & Email Software	\$ 2,000.00	(4)	\$ 2,000.00
Website Costs	\$ 2,000.00	(1)	\$ 2,000.00
Apple App Store Developer Fee	\$ 99.00	(1)	\$ 100.00
Google App Developer Fee	\$ 25.00	(1)	\$ 25.00
App Development Resources	\$ 2,000.00	(1)	\$ 2,000.00

General & Administration:

Banking Services	\$ 20.00	(3m)	\$ 60.00
Credit Services	\$ 20.00	(3m)	\$ 60.00
Trademark (Name & Logo)	\$ 600.00	(2)	\$ 1,200.00
Incorporation	\$ 1,000.00	(1)	\$ 1,000.00
Supplies	\$ 500.00	(3m)	\$ 1,500.00
General Liability Insurance	\$ 200.00	(3m)	\$ 600.00
Legal Fees	\$ 1,500.00	(3m)	\$ 3,000.00
Accounting	\$ 1,000.00	(3m)	\$ 3,000.00

Location:

Startup Expenses and Capitalization



Location:

Rent (4 Person Co-Working Space)	\$ 2,000.00	(3m)	\$ 6,000.00
Utilities / Phone / Cleaning	\$ 300.00	(3m)	\$ 900.0
Miscellaneous	\$ 200.00	(3m)	\$ 600.00

Salaries:

A 3 Month Salary for Team of 4

Founder	\$ 6,000.00	(3m)	\$ 18,000.00
Co-Founder	\$ 6,000.00	(3m)	\$ 18,000.00
Sales & Customer Support Manager	\$ 5,000.00	(3m)	\$ 15,000.00
Marketing Manager	\$ 5,000.00	(3m)	\$ 15,000.00

Promotion:

A Monthly Budget of \$20,000 for Advertising	\$ 20,000.00	(3)	\$ 60,000.00
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Total Costs:

\$ 163,345.00

Allowance for Contingencies:

20% of Total Costs			\$ 32,700.00
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Total 3 Month Startup Budget & Capitalization:

\$ 196,045.00

Financial Plan

Financial planning is the task of determining how a business will afford to achieve its strategic goals and objectives.



Financial Plan



- **12 Month Profit & Loss Statement:**

Summarizes expected **revenues, expenses, and profits** over the next **12 months**.
Helps businesses understand their **profitability** and **financial health** in the short term
Helps determine the path to success.

- **Three-Year Profit Projection (Optional):**

Extends forecast beyond the first year.
Helps plan for long-term growth.
It includes the same elements as the **12-month profit & loss statement**, but with a longer horizon.

- **Projected Cash Flow:**

This report outlines **how much cash a business expects to receive and spend** over a period.
Includes Cash Inflows, Cash outflows and Net Cash flow.

- **For Each Item:**

Track when they receive cash (from sales, investments, or loans).

Know when expenses are due (rent, salaries, inventory, etc.)

- **Opening Day Balance Sheet:**

Fundamental financial report for businesses include assets, liabilities, and equity.

Essential for reporting and management.

- **Break-Even Analysis:**

Dividing line between loss and profit.

The break-even point (BEP) is the level of sales where total revenue = total costs, meaning there is no profit, no loss.



APPENDICES

The appendices section includes supplementary documents, charts, graphs, and data that support the main content of a financial plan, business report.

Provide Supporting Evidence, Enhance Understanding, Aid Future Research, and Improve Decision-Making.

Appendices



The company's Articles of Incorporation



The company's Equal Employment Opportunity Policy



The company's By-Laws



The company's Family and Medical Leave Policy



The company's Employee Stock Option Plan (if applicable)



The company's Health and Safety Policy



The company's Code of Conduct



The company's Wage and Hour Policy



The company's Anti-Harassment Policy



The company's Workplace Violence Prevention Policy

APPENDICES



Include details and studies used in your business plan; for example:

- Advertising materials
- Industry studies
- Blueprints and plans
- Maps and photos of location
- Magazine or other articles

- Detailed lists of equipment owned or to be purchased
- Copies of contracts
- Letters of support from future customers
- Any other materials needed to support the assumptions in this plan
- Market research studies
- List of assets available

Refining the Plan

The generic business plan presented above should be modified to suit your specific type of business and the audience for which the plan is written

Refining the Plan



For Raising Capital For Bankers

- **Amount of Loan:**

Clearly state the loan amount requested.

- **How Funds Will Be Used:**

Specify exactly how loan funds will be allocated.

- **What This Will Accomplish:**

Explain how funds strengthen the business.

- **Requested Repayment Terms:**

Outline the repayment schedule (years).

- **Collateral Offered:**

List the collateral securing the loan.

Refining the Plan



For Investors

- **Funds Needed Short-Term:**
capital for growth opportunities.
- **Funds Needed in 2-5 Years:**
Scaling and market expansion goals.
- **How Funds Will Be Used:**
Product development, marketing, operational expansion.
- **Estimated Return on Investment:**
Projected high returns for investors.
- **Exit Strategy for Investors:**
IPO, sale, or buyback options.
- **Investor Involvement and Ownership:**
Equity offering, board or advisory role.



Refining the Plan

For Type of Business

Manufacturing

- **Planned Production Levels:**

Set targets for product output.

- **Production Cost Comparison:**

Compare direct/indirect costs to industry averages.

- **Product Line Pricing:**

Define prices for each product.

- **Gross Profit Margin:**

Overall margin and per product line.

- **Production Capacity Limits:**

Physical plant and equipment constraints.

- **Inventory Management & New Products:**

Procedures and upcoming product developments.

Refining the Plan



Service Businesses

- **Key Competitive Factors:**
Pricing, quality, and service flexibility.
- **Pricing Methods:**
Cost-plus, market-based, or competitive pricing.
- **Production Management System:**
Efficient processes, timely service delivery.
- **Quality Control Procedures:**
Industry standards, consistent service quality.
- **Labor Productivity Measurement:**
Output per worker, efficiency tracking.
- **Subcontracting, Credit, and Client Strategy:**
Subcontracting, payments.

Case Study: Flipkart and Make My Trip

STARTUP STORY

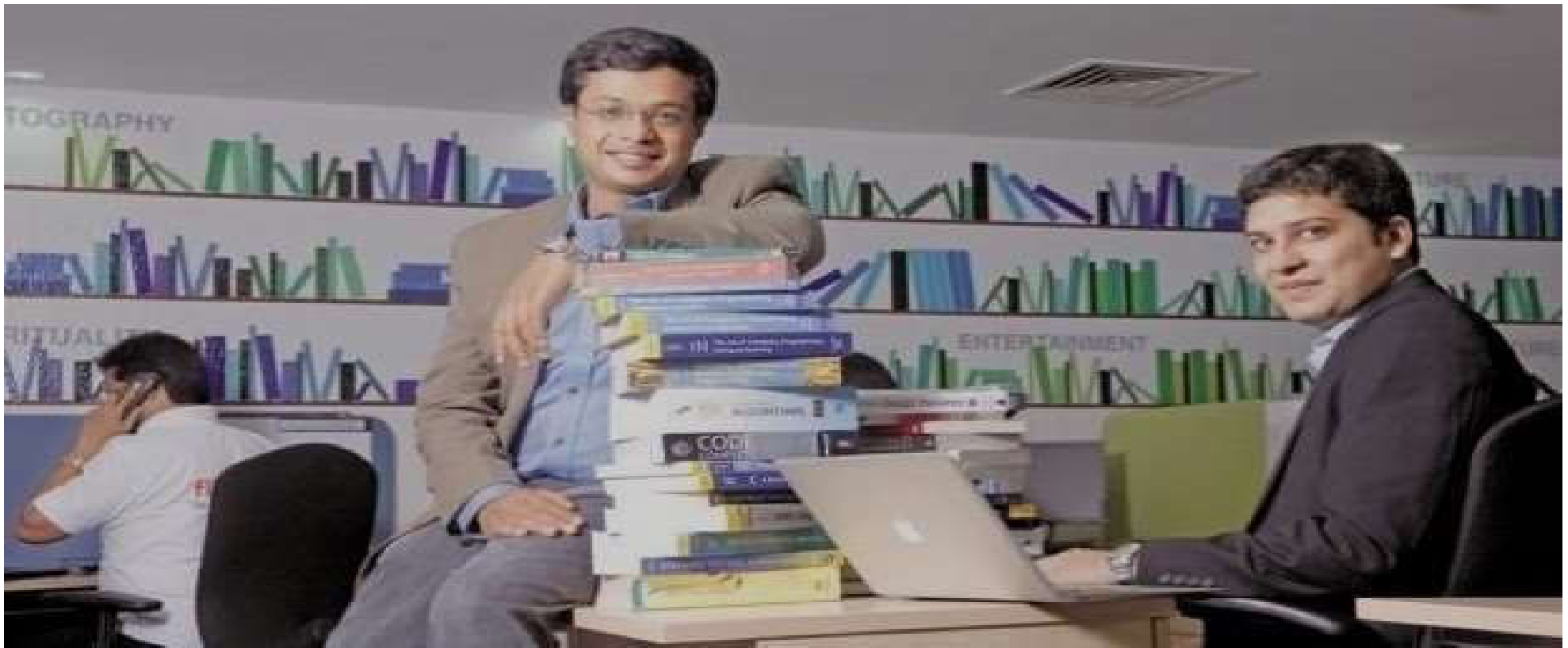
FLIPKART



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HISTORY

Back in 2007, when Flipkart was launched, Indian e-commerce industry was taking its beginner steps. The company is registered in Singapore, but their headquarters are in the city of Bangalore, India.



Founders

[Sachin Bansal](#) and [Binny Bansal](#), who were working for [Amazon.com](#) had an idea to start an e-commerce company in India. Both of them are alumni of IIT, Delhi and are native of Chandigarh, India. They left their jobs in Amazon to start their own business.

How it Started?

Flipkart began selling books to begin with. It soon expanded and began offering a wide variety of goods



Funding History

This soon increased to 200 million Indian rupees the following year. Their last round of Fundraising had increased their value to \$ 15 billion.



**Flipkart Made a Business of 40 Million Rupees in 2008
It increased to 200 Million Rupees Following Year**

Evolution

Flipkart revolutionized online shopping in India by introducing Cash on Delivery (COD) and card payment on delivery, making it more accessible. COD became a standard feature across Indian e-commerce platforms after Flipkart's pioneering implementation.



Evolution

Flipkart solved delivery issues by creating its own system to ensure timely shipments. This helped them deliver orders quickly and reliably.



Acquisitions

Flipkart expanded its market presence by acquiring companies like Myntra and LetsBuy, transforming from a small book retailer to India's largest e-commerce platform. Its journey has inspired startups and revolutionized the Indian e-commerce industry, breaking stereotypes along the way.



Flipkart Founders with Myntra Founder

STARTUP STORY

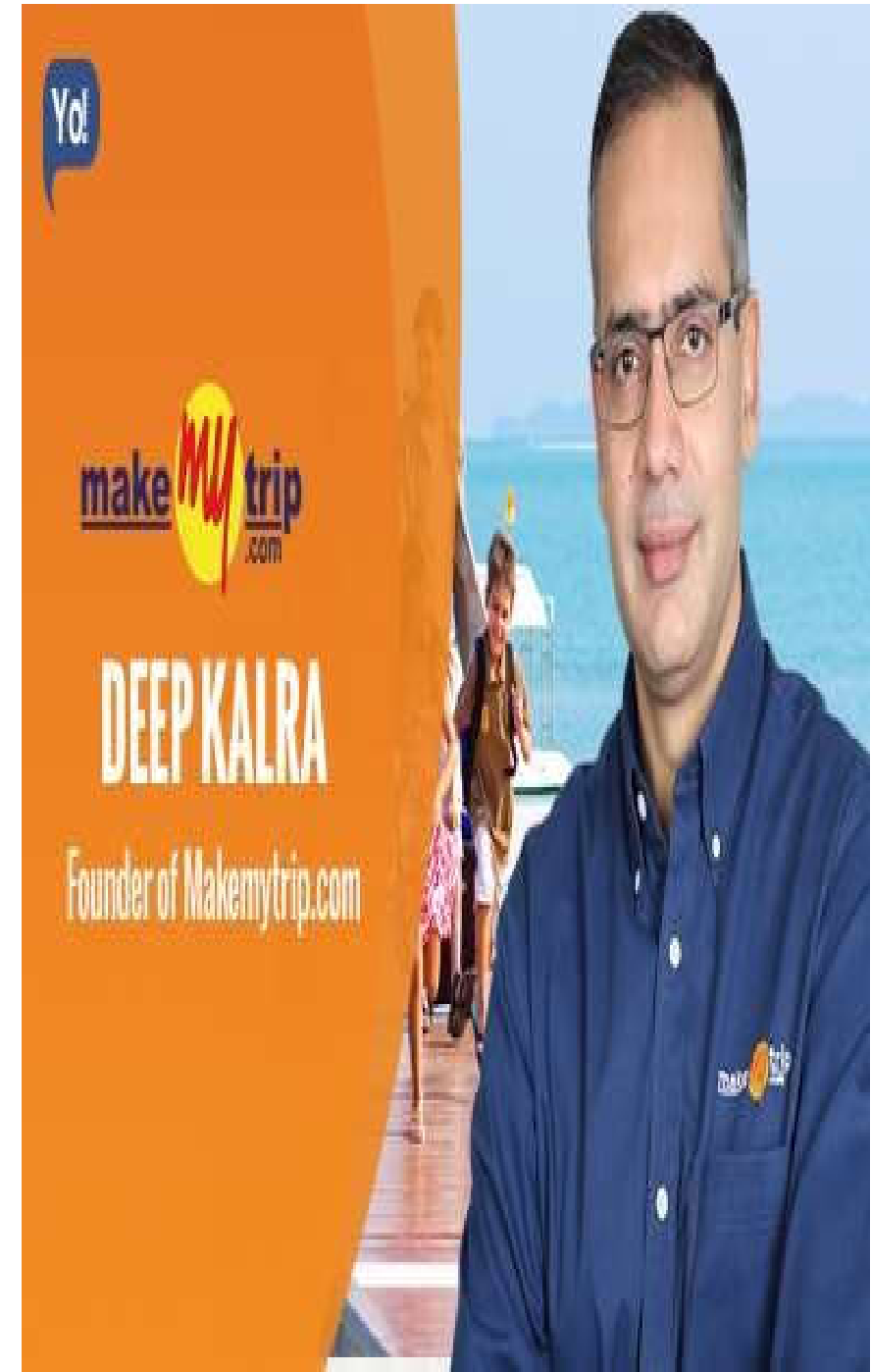
Make My Trip

FOUNDER

Deep Kalra is the proud founder of Gurgaon based – MakeMyTrip.com.



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STARTUP STORY

Make My Trip

FOUNDER

How did his journey begin?

Deep Kalra began his career after completing his Masters at IIM-A and worked at companies like GE Capital and ABN AMRO Bank. In 1995, he took a big risk by leaving his stable job to join AMF Bowling, an American company looking to set up bowling alleys and billiard halls in India.



STARTUP STORY

Make My Trip

FOUNDER

How did his journey begin?

Deep Kalra worked hard and managed to open over 200 bowling lanes, mostly in small centers. However, the venture wasn't his own, and he had a distant boss in America who didn't provide the proper guidance or support.



STARTUP STORY

Make My Trip

FOUNDER

How did his journey begin?

Evidently, for obvious reasons this did not appeal to him and he also realized that they were all not worth his talent. He needed something more to showcase the same!



STARTUP STORY

Make My Trip



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FOUNDER

How did his journey begin?

Deep Kalra noticed the growth of the internet and quit his job to simplify the messy online travel booking industry. He founded MakeMyTrip, transforming travel bookings and quickly making it one of India's leading travel platforms.



Achievements

Chairperson of the NASSCOM Internet Working Group

Member of the Executive Council of NASSCOM

Member of CII's Tourism sub-committee

Awarded as the “Best Travel Portal India” by World Travel Awards (2014, 2013)

Awarded as the “E-tailer of the Year” by ET Retail Awards (2014, 2013)

Awarded as the “Best Online Travel Service Firm” by Times Travel Honours (2011)

Listed as “Ten Best Companies to Work For in India” by Great Place to Work Institute (2013, 2012, 2011, 2010)



Thank you