Banks  Important to have on the board and participate so that they can understand the needs of SMEs and develop packages for them, as well as provide financing as those companies seek to expand. If familiar with your business they will also extend credit to the incubator itself in times of need.

Universities  Sometimes slow, but frequently a key strategic ally in providing both research and new employees to start-up companies. Incubators can also create transition paths where they take graduate students into an incubation program straight out of the university.

Government  Important strategically, to leverage financing and support across the community. Try to give the government a non-executive role in the running or ownership of the company. The incubator can influence them in terms of policy. Government can generate much needed publicity, awareness, credibility and financing for incubators.

NGOs & Donors  Meet with the development community and donors and act as a clearing house for their services – a great challenge for these organizations is coordination between and among the different agencies. With a specific focus on SMEs, the incubator can be the local information point, helping SMEs recognize what assistance programs are available. Donors often have difficulty in access to the community and distributing their products and services, and the incubator can link them to a thriving innovative culture.

13. **Financials Needed**

Ultimately the project will hinge on how impressive your financial model is. Consider different scenarios changing your assumptions sheet. Make it all in a flexible and linked excel sheet so that you can easily change occupancy rates, inflation, currency depreciation, loan repayment schedules.

See what are the key performance indicators for expenses and revenues. Play with the model at length so you understand that a small change in one critical number will dominate your business and make sure that those assumptions are safe. Find where profits lie. Your model will shape your business, indicating to you the scale of your business to reach profitability and how much subsidy you may require from the public sector to attract private participation/ownership.
The financial model should contain the following items:

- Assumptions page (outlining prices, occupancy, costs, etc)
- Payroll calculation
- Operating expenses
- Revenues
- Profit & loss
- Balance sheet
- Capex & Depreciation schedule
- Cashflow & IRR