

BEYOND PROFIT

SOCIAL ENTERPRISE BUSINESS COURSE

FEBRUARY 6, 2012

THE IMPORTANT NUMBERS

Accounting

- What is accounting?
- Why do we need accounting?
- Difference between management (internal knowledge) and financial accounting (external reporting)
- Core principles of financial accounting
- *Example: Accounting for economic events*

Finance

- Time value of money
- The discount rate
- Risk and return
- Discounted cash flow and net present value (NPV)
- *Example: financial returns*

SROI and Q&A

Numbers don't really tell you the depth of the impact... We want to move beyond the numbers to a little bit of the "how". Did we manage this person, or reach the person we wanted to reach? – Premal Shah, CEO Kiva.org

- What is your social return on investment (SROI)?
- Value of your output measures
- Social outcomes weighted with financial metrics
- Global Impact Investment Network (GIIN); aggregate approach
- Global Impact Investing Rating System (GIIRS); blended approach
- What it means to be an impact investor: questions for self