



EasyPlanEx

Software for Investment Project Evaluation
and Financial Planning

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Summary

- ★ 1. Current issues faced nowadays when doing financial projections
- ★ 2. EasyPlanEx features
- ★ 3. How EasyPlanEx solves current issues
- ★ 4. User friendliness
- ★ 5. The benefits of EasyPlanEx

1. Current Issues When Doing Financial Projections

Nowadays organizations face the following 8 problems when doing financial planning or evaluating investment projects:

- ✦ Results from spreadsheets may be wrong.
- ✦ Dependence on people (spreadsheet authors).
- ✦ Inefficient work.
- ✦ Non auditable work.
- ✦ Limited sensitivity analysis.
- ✦ No risk analysis.
- ✦ Inefficient impact analysis.
- ✦ No optimization.

2. EasyPlanEx Features (1)

EasyPlanEx is a PC software specialized in financial projections, which facilitates the development of mathematical models and reports. It allows to:

- ✦ Write equations in common language i.e.:
$$\text{SALES} = \text{PRICE} * \text{VOLUMEN}.$$
- ✦ Project series of values according to rules, including calculation of credit installments and investment depreciation.
- ✦ Easily generate multiple reports.
- ✦ Group periods of a report.
- ✦ Easily generate graphs.

2. EasyPlanEx Features (2)

But, most importantly, EasyPlanEx facilitates the analysis of financial plans and project investments, allowing to:

- ★ Automatically perform sensitivity analysis.
- ★ Perform risk analysis, applying the Montecarlo technique.
- ★ Calculate the probability of the result being less than the minimum expected (VAR: Value at Risk).
- ★ Automatically perform impact analysis.
- ★ Find the optimal solution, considering risk and return.
- ★ Automatically generate project documentation.



3. How EasyPlanEx solves current issues

Let's see how EasyPlanEx solves the 8 issues presented at the beginning.....

Problem Nr 1:

Results obtained from spreadsheets may be wrong (it is not easy to check a medium to high-complexity spreadsheet).

New paradigm: If the project documentation is O.K., then results are O.K.

- ✦ Models developed using EasyPlanEx are easily understandable for common names are used for variables and because model equations are written only once (and never copied).
- ✦ Project documentation generated automatically by EasyPlanEx allow quick and easy verification of a model.



Problem Nr 2:

Dependence on people (too often, only authors understand their spreadsheets...)

New paradigm: Models generated using EasyPlanEx can be understood by any person related to this topic.

- ✦ Documentation is automatic, comprehensive and understandable.
- ✦ Documentation is always up to date.
- ✦ The organization builds up knowledge.

Problem Nr 3:

Inefficient development (much work writing and copying cryptical formulas, inefficient development of additional reports, annoying calculation of interest expense, payments, depreciation, etc.).

New paradigm: Solution design instead of solution programming.

- ✦ Using EasyPlanEx the only programming is writing model equations.
- ✦ Graphs are generated by one click.
- ✦ Reports are easily defined, allowing period selection and period grouping, if needed.

Problem Nr 4:

Non auditable work (nobody knows who made what changes and when - and who made mistakes)

New paradigm: Keeping history of work sessions.

- ✦ A new project file is automatically generated every session.
- ✦ Additional documentation can be added to the one required by EasyPlanEx.



Problem Nr 5:

Limited sensitivity analysis (it's not easy to obtain results for every project alternative and for every external scenario).

New paradigm: Automatic and comprehensive sensitivity analysis.

- ✦ A data base is generated with every possible combination of decision variables and external scenario variables.
- ✦ Results for any possible alternative can instantaneously be displayed.

Problem Nr 6:

No risk analysis (the probability of not achieving a minimum expected result is not known).

New paradigm: Probability distribution of the result is obtained.

- ✦ Using the Montecarlo technique, the probability distribution of a result i.e. I.R.R. is obtained.
- ✦ Probability of the expected result being less than the minimum expected value (VAR – value at risk) is calculated.



Problem Nr 7:

Inefficient impact analysis (if done, it is done “by hand” for some variables or constants).

New paradigm: One-click impact analysis of all variables and constants.

- ✦ A graphical ranking is generated showing unit or percentage impact of every independent variable and constant of the project.
- ✦ This leads the sensitivity and risk analysis to consider those variables and constants that have the greatest impact on the project result.

Problem Nr 8:

No optimal solution (the best solution among all possible alternatives is not known).

New paradigm: thousands of alternatives are evaluated and an efficient frontier of projects is determined.

- ★ The optimum projects are those that have the highest profitability for each risk level.
- ★ Risk level is determined by the probability of not reaching the minimum profitability level (VAR – value at risk).

4. EasyPlanEx User Friendliness

Using EasyPlanex is easy due to features which are not found in most of software:

- ✦ Introductory course, at no cost, for self-learning.
- ✦ On-line context-sensitive help, with no user manual.
- ✦ Multilingual, selectable at each session.
- ✦ Project version control (one file per session).
- ✦ User-friendly interface, having all information at hand.

5. The Benefits of EasyPlanEx

- ✦ Optimal solution is determined.
- ✦ Risk level of financial plans or investments is measured and its origin is known, to make better decisions.
- ✦ Results can be relied upon.
- ✦ No dependence on people.
- ✦ Higher user productivity.
- ✦ Project reusability and knowledge build-up.



EasyPlanEx

New Paradigm for Financial Projections

Questions ?

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