***Some of the tools in this toolkit require the use of Microsoft Excel macros (Visual Basic for Applications, or VBA) to display instructions. VBA does not work with Apples ‘Numbers’ software.***

***The files in this toolkit include the following workbooks:***

01-finance-concepts-and-tools.xlsx

* 1. THE RULES: designed to help financial managers adopt a winning financial philosophy.
  2. FINANCIAL STATEMENT PRIMER: to ensure sufficient financial literacy, includes a schematic of the statements, description of cash flow activities, a description of ratios used in finance, and an overview of the Chart of Accounts.
  3. CHART OF ACCOUNTS: To show how financial books are organized.
  4. BREAKEVEN: to help product managers think about how many units they need to sell to avoid losing money.
  5. START-UP FINANCIALS: to help create investor and bank ready statements. This is an exceptionally powerful and useful tool for evaluating new business opportunities.

02-business-cash-xlsx

From time to time you may need a rough estimate of how much cash you will need, where it will come from, and when. For example, you may need a cash plan when sales dry up, or you have an opportunity to expand. You will definitely need to understand your cash situation before entering a new entrepreneurial business or product line. This workbook contains forms to create a solid cash plan.

03-tools-templates.xlsx – ***on opening, you must enable macros to use this tool***

Model: depicts the structure of a model using Excel.

Executive Highlights: illustrates the kind of information commonly prepared for high-level, busy people.

ROIC: depicts the 'Dupont' chart which structures financial data for better focus.

Payback Curve: shows a clear picture of investment cash flow over time. (This is also used in the Business Case and In-Out Source tool.)

Shareholder Value: depicts a method of evaluating the components of business that drive value for investors.

Currency Combination: offers an approach to combining diverse foreign currencies in financial documents.

Activity Based Costing: provides an approach to evaluating product pricing when cost drivers may not be tracked accurately.

Price Sensitivity: suggests a method of evaluating whether pricing is optimal - not too high to drive away too many customers, not low enough to reduce margins too significantly.

Economic Order Quantity: shows the formula for determining the optimum number of items to order to keep the production line operating or the sales pipeline full.

Constant Investment: provides the value of a constant investment at a constant interest rate at the end of any period during the life of the investment.

Mortgage Balance: provides the remaining balance and total interest paid at the end of any period during the life of the mortgage.

Real Property Profit: provides a rough estimate of a real estate investment, for initial planning purposes.

Glossary: a comprehensive listing and definitions of financial terms. This glossary is included in each model that requires macros.

04-business-case.xlsx – ***on opening, you must enable macros to use this tool***

There are many circumstances in business that require a business analysis, a justification for making or refusing to make an investment. A significant part of that case is financial:

* Can we afford to make the investment?
* Will we get our money back? And more?

This workbook walks you through a complete methodology for creating bullet-proof business cases.

05-in-out-source.xlsx – ***on opening, you must enable macros to use this tool***

The Insource/Outsource tool is designed to quickly generate return on investment information related to Insourcing (in-house production of goods or services currently acquired outside) or Outsourcing (purchasing externally goods or services currently provided in-house).

It also shows the impact on various lines of the Income Statement and Balance Sheet, based on inputs about the type of expenses and assets involved.

06-thruput-calculator.xlsx

This tool will help determine the potential for profit improvement from increased throughput and/or yield, assuming these improvements can be attained without driving new cost into the ongoing operations.

Any investments required to achieve these improvements are not considered here - this is simply a view of the benefit side of a throughput improvement.

Based on marketing constraints, it also shows whether the improvement will be limited to a cost reduction or limited only by the potential for salable product.

07-combine-financials.xlsx

This tool creates financial statements and analysis formats for multiple divisions with multiple currencies, displayed in thousands, millions, and billions of the selected currency. It contains a number of simplifying ratios to automatically compute various accounts on the P&L, Balance Sheet, and Cash Flow Statement.