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Instructions for Phase 1 ([SPRIT001.GIF](variables1.xlsx)to Phase 1 Worksheet)

The Phase 1 worksheet consists of 2 *Excel* worksheets*.*

**Worksheet 1 – Input Form**

The top half of the first worksheet (designated “Input Form”) is set up in 6 columns:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Variables |  | Baseline |  | ‘+/-/NC |  | % / $ |  | Adjustment Factor |  | Adjusted Amt |

* **Variables -** These are the individual categories of accounts that are found on the accounting records of *The House*. Explanations of these accounts can be found in *The House* [Introduction](INTRODUCTION.docx). These variables are given.
* **Baseline -** These are the baseline expectations for the accounting records of *the House*. Details of the accounts can be found in the Phase 1 [Baseline Worksheet](baseline%20phase%201.xlsx). The income statement items are the planned amount for the year 2011. The asset amounts are the starting amount of assets on January 1, 2011. The baseline amounts are given.
* **+/1/NC -**  These cells (highlighted in blue) are input cells. What you enter in the cell tells the program the changes that are to be made.
  + **+**  The + sign (must be entered as ‘+) indicates the baseline figure will be

**increased.**

* + **-** The - sign (must be entered as ‘-) indicates the baseline figure will be

**decreased.**

* + **NC** The NC designation (for “no change”) indicates the baseline figure will remain

**unchanged.**

* **% / $ -** These cells (highlighted in blue) are input cells. What you enter in the cell tells the program the changes that are to be made.
  + **%** The % sign indicates that the adjustment will be a percentage adjustment

(e.g., + 5%; 1 2.2%)

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* Baseline cells with $ values will be adjusted by the % given in the Adjustment Factor cells. (e.g. +1% entered for net sales will increase net sales by $159,004)
* Baseline cells with % values will be adjusted by adding or subtracting the given in the Adjustment Factor cells to the original percentage. (e.g. +1% entered fro product cost will increase product cost percentage to 59.50%)
  + **$** The $ sign indicates that the adjustment will be an adjustment of plus or minus

a specific dollar amount. Note that $ adjustments cannot be made to variables

whose baseline is stated in terms of a percentage.

* **Adjustment Factor** These cells (highlighted in blue) are input cells. What you enter in the cell tells the program the changes that are to be made.
  + If the change to the baseline variable is a set dollar amount it is entered here in dollars without the dollar sign (e.g., 50,000).
  + If the change to the baseline variable is a percentage it is entered here in without the percentage sign (e.g., 6.2).
* **Adjusted Amount** The program will automatically change the baseline amounts to the adjusted amounts based on the input. Before continuing, you should review the adjusted amounts to ensure the revised amounts are as expected.

The bottom half of the first worksheet (designated “Input Form”) automatically reports the summary income statement and ratios for both the baseline and for the adjustments proposed. Before continuing, you should review the adjusted amounts to ensure the revised amounts are as expected.

If the adjusted income statement and ratios are as expected, they need to be transferred to the second worksheet labeled “Answer Sheet”. This is done by left clicking and highlighting the “Adjusted” income statement and ratios and pressing the keys “Ctrl and C” simultaneously (or clicking the “copy” icon in the “clipboard” menu in the upper left of the screen). The adjusted income statement and ratios should now be surrounded by a flashing border and it is ready to be copied to the Answer Sheet.

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**Worksheet 2 – Answer Sheet**

The second worksheet, the “Answer Sheet”, is set up with the summary income statement and ratios for the baseline amounts and for up to four different scenarios. It also has a place for the student to enter his/her name and the exercise number. In this way, when completed, the worksheet can be printed and handed in to the professor, either electronically or on paper.

* When a adjusted income statement and ratios has been prepared on the “Input Form”, highlighted and made ready to copy (as noted above), you should click on the “Answer Sheet” tab on the bottom of the page to move to the answer sheet.
* Move the cursor to the “net sales” cell of an empty “Scenario”. The adjusted income statement and ratios should be copied into the space by using the “paste special” icon in the “clipboard” menu in the upper left of the screen (found by clicking the arrow below the “paste” icon). **Do not use “Ctrl and V” keys or the “Paste” icon.** When the “past special” menu box is open click on the bullet point “values and number formats” and click the “OK” button. The adjusted income statement and ratios should appear on the answer sheet in the proper format.
* Replace the words “scenario” with the appropriate heading related to the exercise (e.g., “7% sales decrease”)
* To enter another scenario into the answer sheet, another set of changes must be entered on the input form and the new income statement and ratios must be copied into another empty Scenario column.
* When you are completed, the *Excel* file should be saved with another name (check with your professor on his or her naming conventions) so the basic worksheet can be used for another exercise.