



Welcome to the JA Company Program Finance Workbook!

[INSERT Your JA Company Name]

Insert Name of Leader of the Finance Team and Company member for managing the Finance Workbook.

Finance Workbook Instructions

Read First

Consider printing this page of instructions so you can view it while working on the other pages of this workbook. The page you are viewing is the first page of a spreadsheet workbook. This workbook will be used to record your JA Company's financial data. If you look below, you will see a series of colored tabs across the bottom of the page. Each tab is a different worksheet that you will use over the course of the program. On any of the tabs, when you see cells that are shaded **GREEN**, they are formulas, calculated or linked to another cell in the workbook. Cells shaded **PEACH**, in any tab, require input from you.

Definitions

- Break-Even Point:** Point where total revenue equals sum of FIXED and VARIABLE costs
- Fixed Costs:** Costs associated with start up and operations that are incurred regardless of any units of production produced (Examples: salary, rent, equipment)
- Profit Tax:** Tax paid by the company based on gross profit (Revenue-Total Expenses). Ranges. 15%-35%
- Sales Tax:** State or local tax collected by the company and paid by the customer for making the purchase. This is a pass-through tax that the company remits to the state or local municipality that charges it.
- Variable Costs:** Costs associated with units of production (Examples: raw material, assembly labor, shipping)

Steps

Pre Task	Use the Break-Even Forecast Model to estimate your Break-Even Point and Sales Goal. Plug numbers in the PEACH areas to see how changes in sales goal, price, cost or units affect the Break-Even point versus sales goals.
Task A	Click on the tab below titled Budget, and review the green columns under the heading TASK A. Each Business Team has a list of tasks to research, and each should bring you information about what expenses will be incurred during the program. Whenever possible, have the teams bring a lower-priced and higher-priced option for comparison.
Task B	If your company decides to pay wages: in the space under the heading TASK B, use the tool to pay wages to the leaders or non-leaders. Use the Wages tool to determine the total expense, and place that number in the correct line in the Expected Expense List.
Task C	In the space under the heading TASK C, carefully consider your choices, and record the total number of products or services the company estimates it will sell.
Task D	Use the data from TASK A and TASK C to fill in TASK D, the total amount of each of the expected expenses. Determine the total amount of your expected expenses at the bottom of the TASK D column (all expenses added).
Task E	To determine the price, use the chart titled TASK E. Complete the chart with test prices and determine your price for your product or service.
Task F	Using the data points you have determined in TASKS A-E on the Budget worksheet, click on the tab below labeled Break-Even Actuals Model to determine your actual Break-Even Point and Sales Goal based on inputs in the Budget tables (TASKS A-E). Follow additional instructions on Break-Even Actuals Model for required inputs on that tab. PLEASE NOTE: Because Test price is a total figure, commission & sales tax (if applicable) are subtracted out along with materials cost to calculate profit margin per unit
Task G	Using the data points you have determined in TASKS A-D on the Budget worksheet, click on the tab below labeled Capitalization Goal, and follow the TASK G instructions to determine your Capitalization Goal. Report this amount to the Leadership Team so it can decide the best method to capitalize and secure the money. As money comes into the company, track it against the recorded goal.
Task H	Track investor information and amount of investment in Investors tab. You may need to insert more rows if you have more than 40 investors. This will be useful for the liquidation process.
Task I	As the sales team and other Company members sell units of the product or service, track their results in the worksheet tab titled Sales Tracking.
Task J	Track the Company's financial results in the worksheet tab titled Financial Record.
Task K	Use Sales Tax Worksheet to calculate the states sales tax your company owes to the JA Area. For each sale made, list the total number of units and the sale price. Look up your applicable state sales tax rate and insert this number as a percentage in the PEACH color cell at the top. Test the accuracy of the calculation with the PEACH colored row in the worksheet.
Task L	For the Liquidation Process in Meeting Twelve, follow the on-screen instructions, and complete the worksheet tab titled Liquidation Report.