-------------------------------------------------------------------------------------------------------------------------------------

Instructions for Phase 4 ([GOLD0001.GIF](PHASE%20FOUR%20SPREADSHEET%20MODEL.docx) Phase 4 Basic concepts)

([CLDTI003](budget%20stock%20to%20sales.xlsx)to Stock to Sales Worksheet)

The worksheet for the six month merchandise budget using the stock to sales method is set up with the formulas on the top of the page and the Input Form on the bottom of the page. Input items that must be decided by the student include:

* Total planned sales for the six month period
* Planned inventory at the end of the six month period (EOM inventory for July)
* The initial planned margin percentage (note that this will be lower than planned gross margin as any retail reductions reduce the margin earned)
* Planned beginning of month (BOM) stock to sales ratio for each month (BOM stock will equal planned sales for the month times this ratio)
* The planned percentage of the total sales to be made in each month (note that the total for the six months **must** equal 100%)
* Planned retail reduction % (i.e., total markdowns as a percentage of original retail) for each month

The above variables (highlighted in blue) are to be input into the cells noted in the **Input form**. What you enter in the cell tells the program the changes that are to be made. The program automatically calculates the six month merchandise budget.

Before continuing, you should review the merchandise budget to ensure the revised amounts are as expected.

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.

-------------------------------------------------------------------------------------------------------------------------------------

Instructions for Phase 4 ([GOLD0001.GIF](PHASE%20FOUR%20SPREADSHEET%20MODEL.docx) Phase 4 Basic concepts)

([CLECO008](budget%20basic%20stock.xlsx) to Basic Stock Worksheet)

The worksheet for the six month merchandise budget using the basic method is set up with the formulas on the top of the page and the Input Form on the bottom of the page. Input items that must be decided by the student include:

* Total planned sales for the six month period
* Planned inventory at the end of the six month period (EOM inventory for July)
* The initial planned margin percentage (note that this will be lower than planned gross margin as any retail reductions reduce the margin earned)
* Expected turnover rate for the six month period (used to calculate average stock for the season)
* The planned percentage of the total sales to be made in each month (note that the total for the six months **must** equal 100%)
* Planned retail reduction % (i.e., total markdowns as a percentage of original retail) for each month

The above variables (highlighted in blue) are to be input into the cells noted in the **Input form**. What you enter in the cell tells the program the changes that are to be made. The program automatically calculates the six month merchandise budget.

Before continuing, you should review the merchandise budget to ensure the revised amounts are as expected.

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.

-------------------------------------------------------------------------------------------------------------------------------------

Instructions for Phase 4 ([GOLD0001.GIF](PHASE%20FOUR%20SPREADSHEET%20MODEL.docx) Phase 4 Basic concepts)

([CLEPP006](budget%20percent%20variation.xlsx) to Percentage Variation Worksheet)

The worksheet for the six month merchandise budget using the percentage variation method is set up with the formulas on the top of the page and the Input Form on the bottom of the page. Input items that must be decided by the student include:

* Total planned sales for the six month period
* Planned inventory at the end of the six month period (EOM inventory for July)
* The initial planned margin percentage (note that this will be lower than planned gross margin as any retail reductions reduce the margin earned)
* Expected turnover rate for the six month period (used to calculate average stock for the season)
* The planned percentage of the total sales to be made in each month (note that the total for the six months **must** equal 100%)
* Planned retail reduction % (i.e., total markdowns as a percentage of original retail) for each month

The above variables (highlighted in blue) are to be input into the cells noted in the **Input form**. What you enter in the cell tells the program the changes that are to be made. The program automatically calculates the six month merchandise budget.

Before continuing, you should review the merchandise budget to ensure the revised amounts are as expected.

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.