

# Jubilee Superstores: Constructing an Interactive Excel Dashboard Project for Introductory Financial Accounting

## Case Questions

1. **When recording a sales transaction, would Jubilee Superstores use the “Sales revenue” field or the “Total invoice” field for total revenue? How would “Sales tax amount” be handled when recording transactions?**

When recording a sales transaction, Jubilee Superstores would use the **“Sales revenue”** field instead of the **“Total invoice”** field for total revenue. This is because “Sales revenue” represents the actual earnings from the sale of goods or services, excluding any taxes or additional fees. In contrast, the “Total invoice” field includes sales tax and other charges, which do not qualify as revenue under accounting standards. Using “Sales revenue” aligns with the practice of recognizing revenue as the amount earned from the sale itself.

The **“Sales tax amount”** is not part of revenue but is instead recorded as a **liability** under "Sales Tax Payable." This is because the tax collected belongs to the government and must be remitted. For example, if a sale totals \$1,100, which includes \$1,000 in sales revenue and \$100 in sales tax, Jubilee would:

- Record \$1,000 as **Sales Revenue** on the income statement.
- Record \$100 as **Sales Tax Payable** on the balance sheet.
- The total invoice amount of \$1,100 would be recorded as cash received or accounts receivable.

By handling sales tax in this way, the company ensures accurate revenue reporting and compliance with accounting principles.

2. **Assume all Jubilee Superstore sales are on account. For each sales transaction, would the “Sales revenue” amount or the “Total invoice” amount be recorded as the debit (or increase) to Accounts receivable by Jubilee Superstores?**

If all Jubilee Superstore sales are on account, the **“Total invoice” amount** would be recorded as the debit (or increase) to **Accounts Receivable**. This is because the total invoice represents the full amount owed by the customer, which includes both the **“Sales revenue”** (the actual sales amount) and the **“Sales tax amount”** (the tax collected on behalf of the government).

For example, if a transaction includes \$1,000 in sales revenue and \$100 in sales tax, the total invoice amount would be \$1,100. Jubilee Superstores would record this as follows:

- **Debit Accounts Receivable:** \$1,100 (total invoice amount, reflecting what the customer owes).

- **Credit Sales Revenue:** \$1,000 (recognizing the actual revenue from the sales).
- **Credit Sales Tax Payable:** \$100 (recording the liability to the government).

By recording the “**Total invoice**” amount in Accounts Receivable, Jubilee ensures that the full amount the customer owes is accurately reflected in its financial records.

### 3. What is the total Books sales revenue?

The total **Books sales revenue** for Jubilee Superstores is **\$5,900**, as highlighted in the "Sales revenue by division" visualization. This amount represents the total revenue generated from the sale of books across all regions.

### 4. Which region had the most Office supplies sales revenue?

The **South region** had the most **Office supplies sales revenue**, totaling **\$26,970**. This is clearly shown in the "Sales revenue by region" visualization, where the South region outperformed all other regions in this category.

### 5. What are the trends in sales revenue for each of the three product divisions in the East? In the North?

Trends in Sales Revenue by Product Division:

#### East Region:

1. **Books:** Sales revenue increased significantly by **78.49%**, rising from \$930 in the prior year to **\$1,660** in the current year.
2. **Electronics:** Revenue remained relatively stable with a small increase of **0.46%**, growing from \$126,000 to **\$126,580**.
3. **Office Supplies:** Sales revenue declined by **-13.74%**, dropping from \$22,130 in the prior year to **\$19,090**.

#### North Region:

1. **Books:** Revenue decreased by **-24.71%**, declining from \$1,700 in the prior year to **\$1,280**.
  2. **Electronics:** Sales dropped sharply by **-42.16%**, falling from \$141,880 to **\$82,070**.
  3. **Office Supplies:** Revenue declined by **-10.78%**, going from \$18,830 to **\$16,800**.
- These trends suggest strong growth in Books sales in the East, while the North experienced declines across all divisions, with Electronics being the most significantly impacted.

6. **What are the top five products by sales revenue in the Central region? In the North?**

**Top Five Products by Sales Revenue:**

**Central Region:**

1. **TV and Video:** \$45,670
2. **Computers:** \$31,980
3. **Cell Phones:** \$26,950
4. **Paper:** \$8,850
5. **Office Basics:** \$4,800

**North Region:**

1. **TV and Video:** \$41,950
2. **Cell Phones:** \$18,800
3. **Computers:** \$13,840
4. **Paper:** \$9,260
5. **Camera and Photo:** \$7,480

- These figures highlight that **TV and Video** is the leading product category by sales revenue in both regions. However, the specific ranking of other products differs between the two regions.

7. **How much would Jubilee Superstores have credited to Sales revenue for the East region in 2021?**

Jubilee Superstores would have credited **\$147,330** to **Sales revenue** for the East region in 2021. This total includes the following amounts for each division, as shown in the "Sales revenue by region" visualization:

- **Books:** \$1,660
- **Electronics:** \$126,580
- **Office Supplies:** \$19,090

The sum of these amounts represents the total credited to Sales Revenue for the East region in the current year.

8. **What would be the total sales revenue for Jubilee Superstores in 2021? On what financial statement(s) would you find total sales revenue?**

### **Total Sales Revenue for 2021:**

The total **sales revenue** for Jubilee Superstores in 2021 is **\$587,630**. This amount is the sum of sales revenue from all regions and divisions as shown in the visualizations.

### **Financial Statement(s) to Find Sales Revenue:**

- The total sales revenue would be reported on the **Income Statement** (or Statement of Profit and Loss) under the heading **Revenue** or **Sales**.
- It would not appear on the Balance Sheet, as sales revenue is part of the company's operating performance, not its financial position.

### **9. How could this dashboard help the company in its decision-making? What overall strategy questions could this dashboard address?**

#### **How the Dashboard Supports Decision-Making:**

The dashboard provides a comprehensive view of sales performance across regions, product divisions, and individual products, enabling Jubilee Superstores to:

#### **1. Identify Strong and Weak Performers:**

- The dashboard highlights top-performing regions, divisions, and products, helping the company allocate resources to areas of growth.
- It also pinpoints underperforming regions or products, allowing for targeted strategies to address weaknesses.

#### **2. Track Trends and Growth Areas:**

- By comparing current and prior year data, the dashboard reveals trends such as sales growth or decline, which inform decisions on promotions, pricing, and inventory management.

#### **3. Enhance Regional Strategies:**

- With sales data segmented by region, the company can tailor marketing and operational strategies to suit regional preferences and demands.

#### **4. Product Prioritization:**

- The breakdown of sales by product allows Jubilee to focus on high-margin or high-demand items while reconsidering low-performing ones.

### **Overall Strategy Questions the Dashboard Can Address:**

- 1. Which regions or divisions should receive more investment or marketing efforts?**

- For example, the South region's strong Office Supplies sales could justify increased stock or advertising for that category in the region.
2. **What products should be prioritized to maximize revenue or profitability?**
    - The data highlights top-selling products (e.g., TV and Video in most regions) that could benefit from expanded inventory or promotional campaigns.
  3. **How can the company address declining sales in certain divisions or regions?**
    - Trends in the North region, with significant drops in Electronics and Books, may indicate issues like reduced demand, competition, or pricing strategies needing adjustment.
  4. **How does sales performance align with company goals?**
    - The dashboard enables executives to assess whether revenue targets are being met and adjust strategies to align with company objectives.
  5. **What are the best ways to allocate resources effectively across regions and products?**
    - Insights from the dashboard help optimize resource allocation to drive growth where it's most impactful.