**EXCEL MODEL ON FINANCIAL**

**Three Statement model**

1. Build income statement using assumptions
2. Create schedule to model complex items --- capital expenditure, depreciation
3. Build balance sheets using assumptions
4. Build cash flow statement
5. Link the 3 statements together

**Making**

1. Build the other year with the formula =EDATE(C3,12) -------# C3 is the previous year cell, 12 is the duration you want
2. Change the year into YYYY\E since the billing is calculated on the basis of year and not on dates (CTRL+1 -> custom -> yyyy\E)
3. To make above border use ALT+H+B
4. To change discount under assumption: =B6& “ as a % revenue”
5. Gross revenue = C32 \* C33
6. Discounts = C5\* - C34
7. Net revenue: ALT= ………..(sum of above two cells)
8. Raw materials: =C$5\*C37
9. Same formula for fulfillment and transaction fees
10. Total: ALT=
11. Gross Profit: =C7+C12
12. Gross profit margin %: =C13/C7
13. Labor: =-C$5\*C42
14. EBITDA: =C13+C19
15. Net Income as % of Revenue: =C26/C7
16. In the end the balance check should be 0 to understand that the model created is correct without any mistakes.