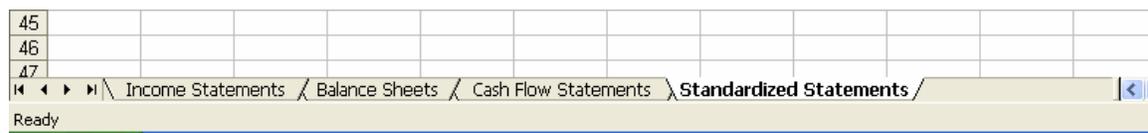


Instructions for how to easily produce standardized financial statements in MS excel

This short note describes how you can easily produce standardized financial statements in Microsoft Excel. In the following step-by-step instructions, it is assumed that you have a spreadsheet version of the original income statements, balance sheet, and cash flow statements available.

Step 1

Create the worksheets for the original statements as well as the standardized statements.



Step 2

Copy and paste the original income statements, balance sheets, and cash flow statements into the appropriate worksheets. Make sure to:

- leave the most left column blank and label this column 'Standard Accounts';
- label the columns containing the financial statement numbers. The labels of these columns must be in text format. That is, use labels such as 'FY 2005' rather than '2005'.

	A	B	C	D
1	Standard Accounts	Income Statement in € million (IFRS)	FY 2005	FY 2004
2				
3		Turnover	39,672.0	38,566.0
4		Cost of sales	-20,396.0	-19,856.0
5		Gross profit	19,276.0	18,710.0
6				
7		Distribution and selling costs	-9,292.0	-8,255.0
8		Administrative expenses	-4,670.0	-6,216.0
9		Operating profit	5,314.0	4,239.0

Step 3

In the 'Standardized Statements' worksheet, make a list of standard accounts (categorized by statement). Make sure to:

- give the columns with standardized statement numbers exactly the same label as you used in the other worksheets;
- leave one row blank between the headers and the account items of the standardized statements.

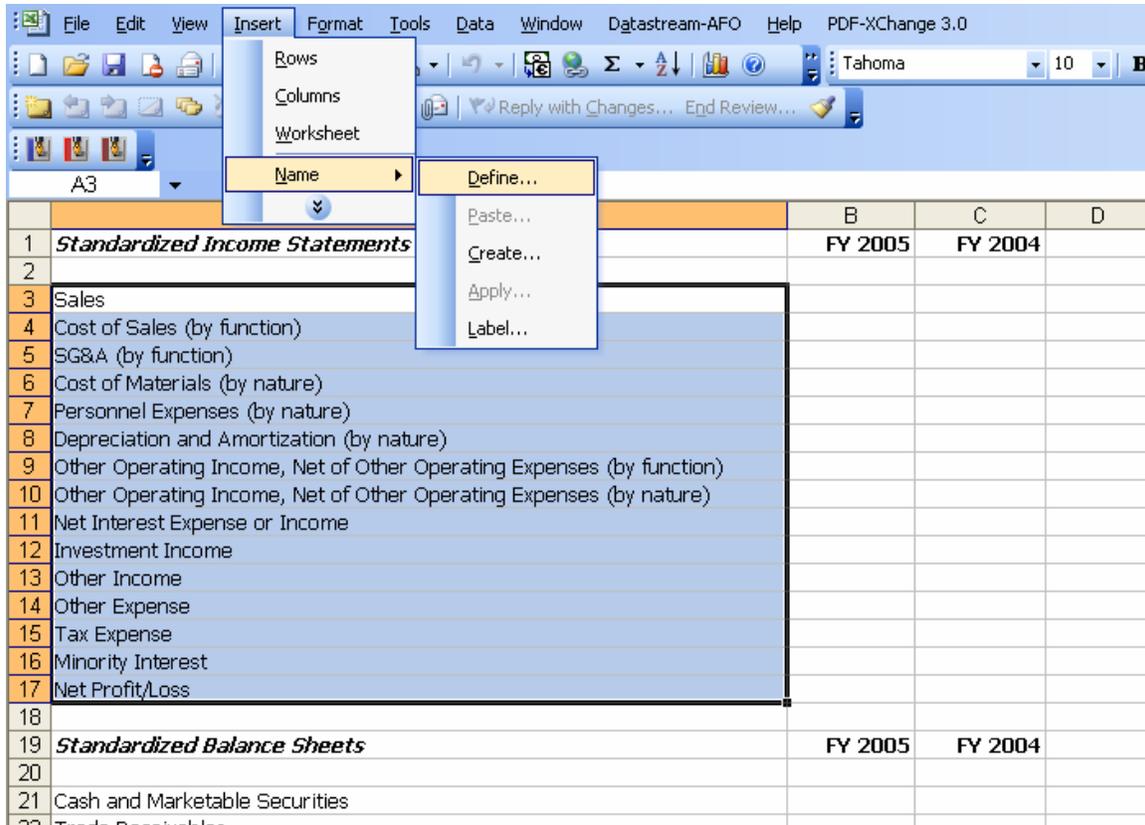
	A	B	C	D	E	F
1	Standardized Income Statements	FY 2005	FY 2004			
2						
3	Sales					
4	Cost of Sales (by function)					
5	SG&A (by function)					
6	Cost of Materials (by nature)					
7	Personnel Expenses (by nature)					
8	Depreciation and Amortization (by nature)					
9	Other Operating Income, Net of Other Operating Expenses (by function)					
10	Other Operating Income, Net of Other Operating Expenses (by nature)					

Use the same labels as in the other worksheets.

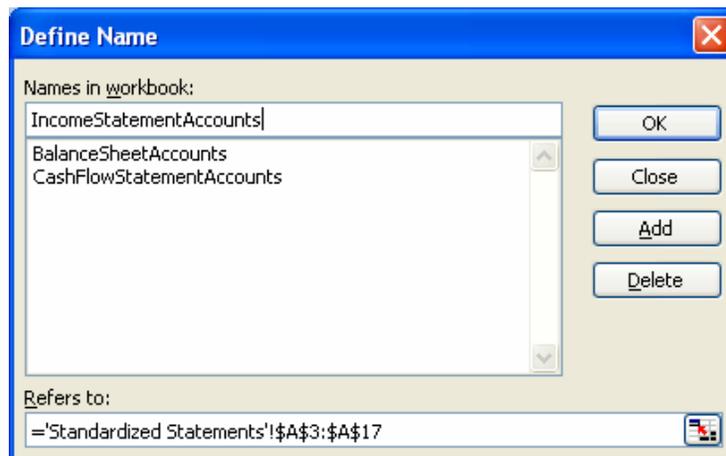
Leave this row blank.

Step 4

Assign names to the ranges containing the standard accounts (for the income statement accounts, balance sheet accounts, and cash flow statement accounts separately). To do so, select a range and choose 'Insert – Name – Define' from the menu.

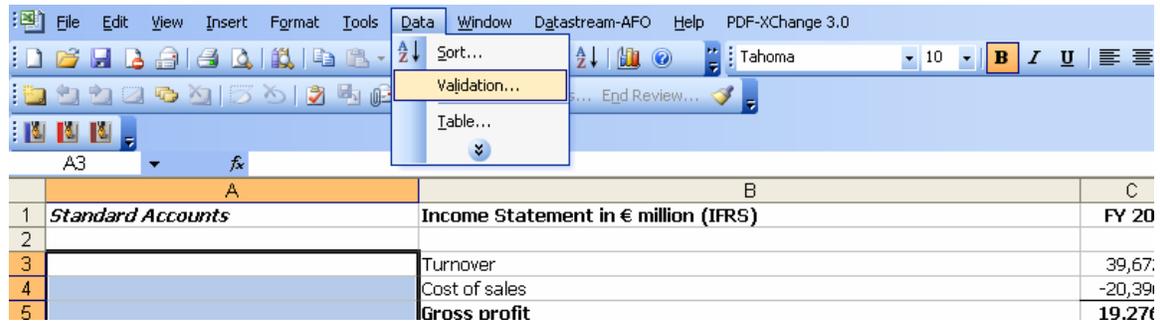


The following screen appears, in which you can specify the range name. To confirm the name, click on "OK".

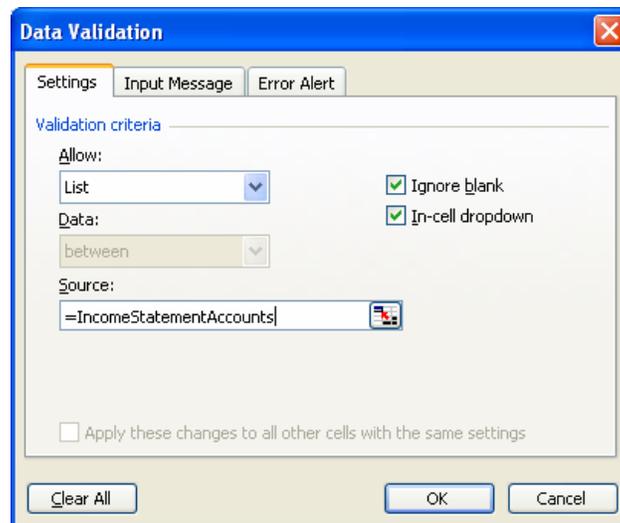


Step 5

Create Validation Drop Down Lists in the most left columns of the ‘Income Statements’, ‘Balance Sheets’, and ‘Cash Flow Statements’ worksheets. To do so, select the cells left of the original statements (in the most left column) and choose ‘Data – Validation’ from the menu.



The following screen appears, in which you select ‘Allow: List’ and specify the appropriate range name as the source of validation criteria.



As a result, the most left column contains Validation Drop Down Lists.

	A	B	C
1	<i>Standard Accounts</i>	Income Statement in € million (IFRS)	FY 20
2			
3		Turnover	39,67.
4		Cost of sales	-20,39.
5		Gross profit	19,27.
6			
7		Distribution and selling costs	-9,292.
8		Administrative expenses	-4,670.
9		Operating profit	5,314.
10		Finance income	130.
11		Finance costs	-693.
12		Pensions and similar obligations	-55.

Step 6

Enter the text 'Standard Accounts' in a blank cell in the 'Standardized Statements' worksheet. Make sure that:

- the cell is not within the range covered by the standardized statements and
- the cell immediately below this cell remains blank.

	A	B	C	D	E	F
1	<i>Standardized Income Statements</i>	FY 2005	FY 2004		Standard Accounts	
2						
3	Sales					
4	Cost of Sales (by function)					
5	SG&A (by function)					
6	Cost of Materials (by nature)					
7	Personnel Expenses (by nature)					

Leave this cell blank.

Step 7

In the 'Standardized Statements' worksheet, enter the following function in the cells immediately below the column labels:

=DSUM(database,field,criteria)

where:

database refers to the cells containing the original statements (including the most left column).

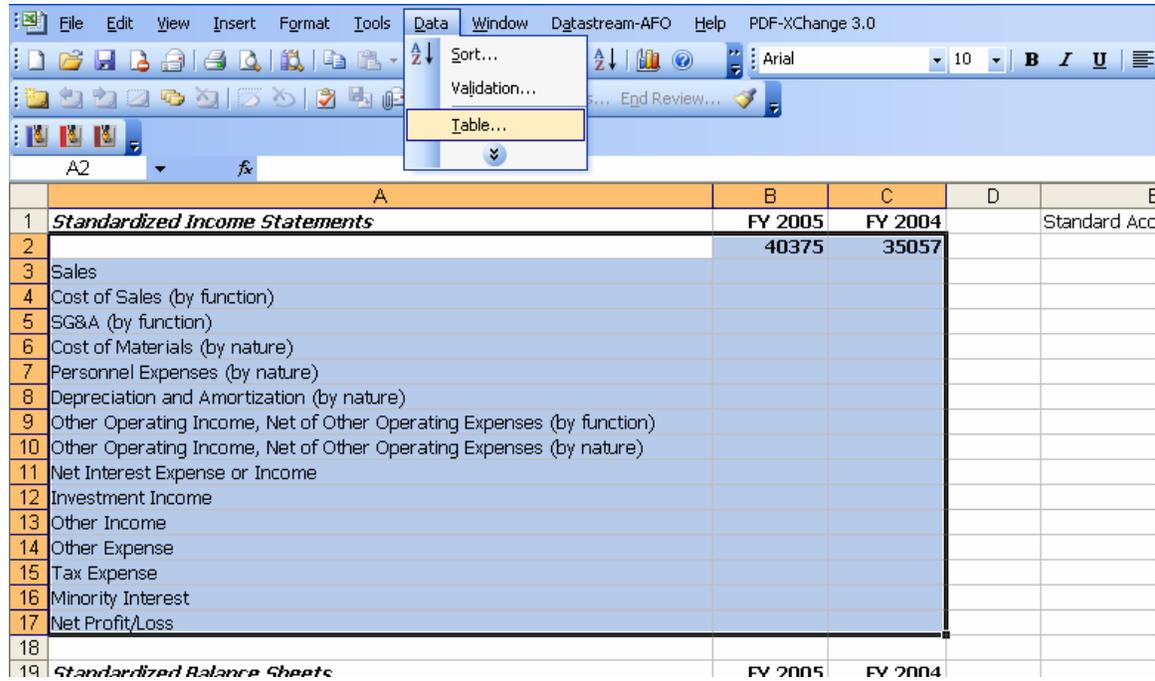
field refers to the label of the column, and

criteria refers to the cell in the 'Standardized Statements' worksheet that contains the text 'Standard Accounts' and the blank cell immediately below this cell.

	A	B	C	D	E	F
1	<i>Standardized Income Statements</i>	FY 2005	FY 2004		Standard Accounts	
2		40375	35057			
3	Sales					
4	Cost of Sales (by function)					
5	SG&A (by function)					

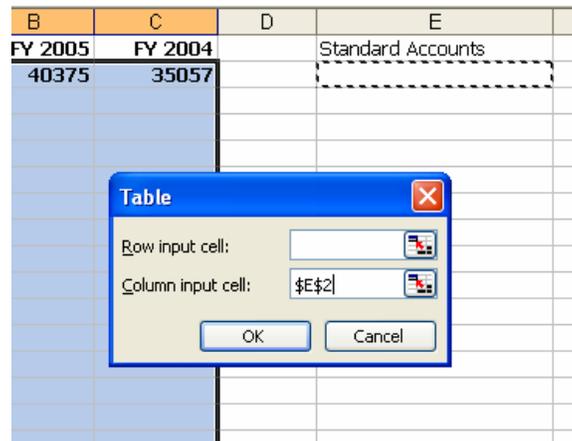
Step 8

Select the area containing the standardized income statements, balance sheets or cash flow statements, excluding the column labels but including the cells immediately below the column labels. Choose 'Data – Table' from the menu.



	A	B	C	D	E
1	Standardized Income Statements	FY 2005	FY 2004		Standard Acc
2		40375	35057		
3	Sales				
4	Cost of Sales (by function)				
5	SG&A (by function)				
6	Cost of Materials (by nature)				
7	Personnel Expenses (by nature)				
8	Depreciation and Amortization (by nature)				
9	Other Operating Income, Net of Other Operating Expenses (by function)				
10	Other Operating Income, Net of Other Operating Expenses (by nature)				
11	Net Interest Expense or Income				
12	Investment Income				
13	Other Income				
14	Other Expense				
15	Tax Expense				
16	Minority Interest				
17	Net Profit/Loss				
18					
19	Standardized Balance Sheets	FY 2005	FY 2004		

The following screen appears. In the 'column input cell' you enter a reference to the blank cell immediately below the text 'Standard Accounts' (in the 'Standardized Statements' worksheet). To confirm the cell reference, click on "OK".



B	C	D	E
FY 2005	FY 2004		Standard Accounts
40375	35057		

Table

Row input cell:

Column input cell:

OK Cancel

After this step, the standardized financial statements are ready for use.