

Model Manual

Model Code: 003

Treasury Monitor Model




**PHARAOH
FINANCIAL**

- CFOs are under increasing pressure to manage cash in tough market conditions and volatile economic cycles.
- Even in stages of business growth, cash becomes the most important asset in fueling the growth of a business.
- This becomes more significant when a CFO of a group of companies must optimize the use of cash across all entities.
- It becomes a day-to-day rigorous task with the treasury team to shuffle cash around numerous bank accounts to handle hundreds of payments and make the best of use of collections in the group.
- This financial model attempts to give a CFO a daily monitor of the existing bank balances for all entities in a multi-currency and multi-entity environment, as well as the future cash position for the current month.
- This will allow a CFO to have a careful cash planning capability month by month to cover fixed overheads and planned capital expenditures on development projects or buying assets.
- It also allows tracing issued cheques, planned payments, and anticipated collections till the end of the month.
- This model will help avoid cash flow hick-ups that face even the largest and most solvent corporations.


Setup of accounts, currencies, companies and payment categories in the **SETUP** sheet.



Inserting the report date in the **TREASURY POSITION** sheet.



Inserting or updating the scheduled payments with dates, amounts and from which account payments will be made in the **PAYMENTS** sheet.



Inserting the expected collections from revenue contracts or daily collections forecasted in the **COLLECTIONS** sheet.

Spec	Limit
Number of Account Currencies	Up to 10 currencies, one base currency and nine others.
Exchange Rates	One rate for each currency fixed for remaining of the month.
Payment Categories	Up to 20 different payment categories.
Companies / Entities	Up to 20 different entities can be defined.
Bank Accounts	Up to 20 different bank accounts can be defined.
Payments Database	Up to 300 payments can be scheduled for the group.
Collections Database	Up to 300 collections can be scheduled for the group.
Cheques	Up to 200 issued cheques can be listed.

Model Setup

- Defining the currencies for bank accounts and fixing an exchange rate for the month.
- Identifying payment categories for analysis.
- Identifying the companies/entities in the group.

CURRENCIES			PAYMENT CATEGORIES			COMPANIES IN THE GROUP		
	Currency	Month Rate		Payment Type		Company Name		
1	USD [BASE]	1.0000	1	SALARIES	1	Subsidiary 1		
2	EUR	1.1100	2	RENTS	2	Subsidiary 2		
3	GBP	1.2100	3	LOAN	3	Subsidiary 3		
4	CHF	1.0500	4	INTEREST	4	Subsidiary 4		
5	AED	0.2700	5	CONTRACTORS	5	Subsidiary 5		
6			6	OTHER ADMIN	6			
7			7		7			
8			8		8			
9			9		9			
10			10		10			
11			11		11			
12			12		12			
13			13		13			
14			14		14			
15			15		15			
16			16		16			
17			17		17			
18			18		18			
19			19		19			
20			20		20			

- Defining each bank account to which transactions and balances exist.
- Each account should be attributed to company in the group and currency.
- Additional fields to create a reference for the account are the bank name and account number.

	L	M	N	O	P	Q	R
1							
2		BANK ACCOUNTS					
3							
4		Bank	Company	Acc. #	Currency	Reference Account Name	
5	1	ABC	Subsidiary 1	#00125487	USD	ABC-#00125487-Subsidiary 1-USD	
6	2	ABC	Subsidiary 2	#20125488	USD	ABC-#20125488-Subsidiary 2-USD	
7	3	ABC	Subsidiary 3	#00021254	CHF	ABC-#00021254-Subsidiary 3-CHF	
8	4	XWZ	Subsidiary 1	#1254712356871	GBP	XWZ-#1254712356871-Subsidiary 1-GBP	
9	5	XWZ	Subsidiary 4	#1676843216842	GBP	XWZ-#1676843216842-Subsidiary 4-GBP	
10	6	XWZ	Subsidiary 5	#3216843133843	AED	XWZ-#3216843133843-Subsidiary 5-AED	
11	7					---	
12	8					---	
13	9					---	
14	10					---	
15	11					---	
16	12					---	
17	13					---	
18	14					---	
19	15					---	
20	16					---	
21	17					---	
22	18					---	
23	19					---	
24	20					---	
25							

Recording Expected Payments and Collections

Expected Payments

- Expected and planned payments are entered by indicating which entity and bank account those funds will be released from and the amount.
- A Category is indicated for each payment and a description column is also allowed.
- A payment can be listed but not included in the cash flows by selecting status to be **DELAY**.
- The payments are entered in the original currency of the account.
- A date for which the payment is expected is also indicated. Any payment falling before the report date indicated in H2 will not be added in the future drawdowns on the bank account in the **TREASURY POSITION**.

	A	B	C	D	E	F	G	H
								15-Aug-22
		Description	Entity / Bank Account	Category	Status	Amount [original currency]	Target Date	Date Check
1	1	MONTH SALARIES FOR ADMIN STAFF	ABC-#00125487-Subsidiary 1-USD	SALARIES	PAY	1,000.00	12-Aug-22	FALSE
2	2	MONTH SALARIES FOR FACTORY LABOUR	ABC-#20125488-Subsidiary 2-USD	SALARIES	PAY	2,000.00	16-Aug-22	TRUE
3	3	OFFICE RENT	ABC-#00021254-Subsidiary 3-CHF	RENTS	PAY	3,000.00	17-Aug-22	TRUE
4	4	FACTORY BUILDING RENT	ABC-#00125487-Subsidiary 1-USD	RENTS	PAY	1,000.00	18-Aug-22	TRUE
5	5	OFFICE SUPPLIES	XWZ-#1676843216842-Subsidiary 4-GBP	OTHER ADMIN	PAY	2,000.00	16-Aug-22	TRUE
6	6	PAYMENT TO SUPPLIER	XWZ-#3216843133843-Subsidiary 5-AED	CONTRACTORS	DELAY	3,000.00	17-Aug-22	TRUE
7	7	LOAN INSTALLMENT	ABC-#00125487-Subsidiary 1-USD	LOAN	PAY	1,000.00	18-Aug-22	TRUE
8	8	INTEREST ON LOAN	ABC-#20125488-Subsidiary 2-USD	INTEREST	PAY	1,000.00	19-Aug-22	TRUE
9	9	MONTH SALARIES FOR ADMIN STAFF	ABC-#00021254-Subsidiary 3-CHF	SALARIES	PAY	2,000.00	20-Aug-22	TRUE
10	10	MONTH SALARIES FOR FACTORY LABOUR	XWZ-#1254712356871-Subsidiary 1-GBP	SALARIES	DELAY	3,000.00	21-Aug-22	TRUE
11	11	OFFICE RENT	ABC-#00125487-Subsidiary 1-USD	RENTS	PAY	1,000.00	22-Aug-22	TRUE
12	12	FACTORY BUILDING RENT	ABC-#20125488-Subsidiary 2-USD	RENTS	PAY	2,000.00	23-Aug-22	TRUE
13	13	OFFICE SUPPLIES	ABC-#00125487-Subsidiary 1-USD	OTHER ADMIN	PAY	3,000.00	24-Aug-22	TRUE
14	14	PAYMENT TO SUPPLIER	ABC-#20125488-Subsidiary 2-USD	CONTRACTORS	PAY	1,000.00	25-Aug-22	TRUE
15	15	LOAN INSTALLMENT	ABC-#00021254-Subsidiary 3-CHF	LOAN	PAY	2,000.00	26-Aug-22	TRUE
16	16	INTEREST ON LOAN	XWZ-#1254712356871-Subsidiary 1-GBP	INTEREST	PAY	1,000.00	27-Aug-22	TRUE
17	17	MONTH SALARIES FOR ADMIN STAFF	XWZ-#1676843216842-Subsidiary 4-GBP	SALARIES	PAY	2,000.00	28-Aug-22	TRUE

Expected Collections

- The collections are entered in the original currency and indicated to which account such collections are expected.
- The status of a collection can be put on hold so as not to impact cash flow by indicating **NOT CONFIRMED** in column G.
- A date for which the collection is expected is also indicated. Any collection falling before the report date indicated in H2 will not be added in the future drawdowns on the bank account in the **TREASURY POSITION**.

	A	B	C	D	E	F	G	H
1								
2								15-Aug-22
3			Description	Bank Account	Amount	Collection	Status	Date
4					[original currency]	Date		Check
5								
6		1	COLLECTIONS ON CONTRACT 1	ABC-#00125487-Subsidiary 1-USD	4,000.00	13-Aug-31	CONFIRMED	FALSE
7		2	COLLECTIONS ON CONTRACT 2	ABC-#20125488-Subsidiary 2-USD	5,000.00	16-Aug-22	CONFIRMED	TRUE
8		3	COLLECTIONS ON CONTRACT 3	ABC-#00021254-Subsidiary 3-CHF	4,000.00	17-Aug-22	CONFIRMED	TRUE
9		4	COLLECTIONS ON CONTRACT 4	XWZ-#1254712356871-Subsidiary 1-GBP	5,000.00	18-Aug-22	NOT CONFIRMED	TRUE
10		5	COLLECTIONS ON CONTRACT 5	XWZ-#1676843216842-Subsidiary 4-GBP	4,000.00	19-Aug-22	CONFIRMED	TRUE
11		6	COLLECTIONS ON CONTRACT 6	XWZ-#3216843133843-Subsidiary 5-AED	5,000.00	20-Aug-22	CONFIRMED	TRUE
12		7	COLLECTIONS ON CONTRACT 7	ABC-#00125487-Subsidiary 1-USD	4,000.00	21-Aug-22	CONFIRMED	TRUE
13		8	COLLECTIONS ON CONTRACT 8	ABC-#20125488-Subsidiary 2-USD	5,000.00	22-Aug-22	NOT CONFIRMED	TRUE
14		9	COLLECTIONS ON CONTRACT 9	ABC-#00021254-Subsidiary 3-CHF	4,000.00	23-Aug-22	CONFIRMED	TRUE
15		10	COLLECTIONS ON CONTRACT 10	XWZ-#1254712356871-Subsidiary 1-GBP	5,000.00	24-Aug-22	CONFIRMED	TRUE

Recording Cheques

- Cheques issued to vendors or suppliers are listed along with the bank account to which those cheques will be drawn on.
- Some cheques are prepared but not yet physically released to beneficiaries, those will be marked **LODGING** and won't impact the **TREASURY POSITION** sheet.
- Cheques marked as **UNPRESENTED** will be deducted from account balances (reserved) to calculate the available balances.
- Once a cheque has been presented it should be marked as **CASHED**.

	A	B	C	D	E	F
1						
2		Cheque	Beneficiary	Amount	Bank Account	Status
3		Number		[original currency]		
4						
5	1	1864	vendor 1	9,115.00	ABC-#00125487-Subsidiary 1-USD	CASHED
6	2	3214	vendor 2	5,477.00	ABC-#20125488-Subsidiary 2-USD	CASHED
7	3	3232	vendor 3	4,010.00	ABC-#00021254-Subsidiary 3-CHF	CASHED
8	4	3233	vendor 4	5,176.00	XWZ-#1254712356871-Subsidiary 1-GBP	UNPRESENTED
9	5	3244	vendor 5	5,621.00	XWZ-#1676843216842-Subsidiary 4-GBP	UNPRESENTED
10	6	1958	vendor 6	7,463.00	XWZ-#3216843133843-Subsidiary 5-AED	UNPRESENTED
11	7	1968	vendor 7	2,027.00	ABC-#00125487-Subsidiary 1-USD	UNPRESENTED
12	8	158	vendor 8	3,468.00	ABC-#20125488-Subsidiary 2-USD	UNPRESENTED
13	9	210	vendor 9	2,767.00	ABC-#00021254-Subsidiary 3-CHF	UNPRESENTED
14	10	215	vendor 10	1,180.00	XWZ-#1254712356871-Subsidiary 1-GBP	UNPRESENTED
15	11	375	vendor 11	1,970.00	ABC-#00125487-Subsidiary 1-USD	UNPRESENTED
16	12	390	vendor 12	4,439.00	ABC-#20125488-Subsidiary 2-USD	UNPRESENTED
17	13	391	vendor 13	5,104.00	ABC-#00021254-Subsidiary 3-CHF	UNPRESENTED
18	14	395	vendor 14	7,197.00	XWZ-#1254712356871-Subsidiary 1-GBP	UNPRESENTED
19	15	431	vendor 15	8,156.00	XWZ-#1676843216842-Subsidiary 4-GBP	UNPRESENTED
20	16	497	vendor 16	8,712.00	XWZ-#3216843133843-Subsidiary 5-AED	LODGING
21	17	502	vendor 17	3,797.00	ABC-#00021254-Subsidiary 3-CHF	LODGING

The Treasury Position Dashboard

Treasury Position

- The first step is to indicate the report date and then plug in the current balances as of that date for each bank account.
- This sheet will show all cheques, planned payments, expected collections for each account and therefore an expected balance for each account at the end of the month is shown in column H.
- Column L converts all accounts to the base currency to add up the total cash in banks of the group.

	A	B	C	D	E	F	G	H	I
1									
2		Report Date	15-Aug-22						
3		Month End	31-Aug-22						
4								USD	
5							Ending Month Total Cash Forecast		195,720
6		ACCOUNT	Current Balance	Unpresented Chqs	Available Balance	Upcoming Payments	Upcoming Collections	Forecast Ending Bal.	Forecast Ending Bal.
7								[original currency]	[base currency]
8									
9	1	ABC-#00125487-Subsidiary 1-USD	50,000.00	(20,396)	29,604	(6,000)	4,000	27,604	27,604
10	2	ABC-#20125488-Subsidiary 2-USD	80,000.00	(26,858)	53,142	(6,000)	5,000	52,142	52,142
11	3	ABC-#00021254-Subsidiary 3-CHF	60,000.00	(10,640)	49,360	(7,000)	8,000	50,360	52,878
12	4	XWZ-#1254712356871-Subsidiary 1-GBP	50,000.00	(13,553)	36,447	(1,000)	5,000	40,447	48,941
13	5	XWZ-#1676843216842-Subsidiary 4-GBP	20,000.00	(13,777)	6,223	(4,000)	4,000	6,223	7,530
14	6	XWZ-#3216843133843-Subsidiary 5-AED	30,000.00	(7,463)	22,537	(3,000)	5,000	24,537	6,625
15	7	---		-	-	-	-	-	-
16	8	---		-	-	-	-	-	-
17	9	---		-	-	-	-	-	-