



Investment Calculator User Manual V1.1

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Welcome

Dear investor/wealth creator,

Congratulations on purchasing or trialing my money calculator, we hope you get value out of using this amazing tool to help you make better investment choices.

Please refer to this guide to get started and to also answer any queries you may have in operating the software. Feel free to contact support at support@mymoneycalculator.com.au if you need additional help outside the use of this manual.

Again thank you for downloading and becoming a subscriber to the investment community of my money calculator.

Invest with success,

The team at MMC

Unlocking the full version of the Investment Calculator

How do I buy / unlock the full version?

Unlocking the full version of the Investment Calculator is easy and secure.

1. Choose your version and click Buy Now on the [Buy Now Page](#).
2. Choose your payment method and complete the payment
3. Email us your computer ID ([Instructions here](#))
4. Your unique registration key will then be emailed to you within 48 hours.
5. Keep the registration key file and the Investment Calculator in the same folder to unlock your registered version.

If you have any questions please don't hesitate to [contact us](#) or you can leave a reply at the bottom of the page.

Payment security

My Money Calculator uses PayPal - the faster, easier way for accepting payments.

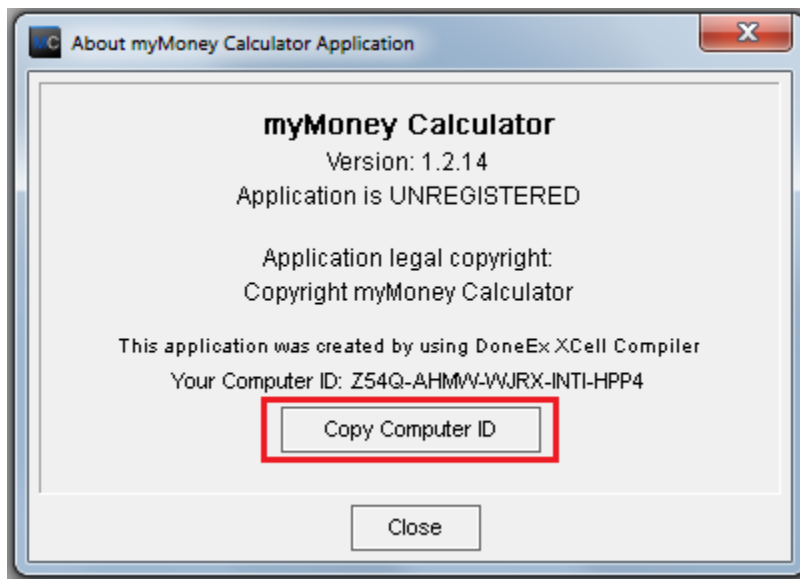
PayPal uses SSL technology to ensure that all payments made are as secure as possible.

You do not require a Paypal account to pay through PayPal.

How do I find my unique Computer ID?

You can always find your unique computer ID by clicking the 'About' button at the top of any page.

The Computer ID will be visible and you can press "Copy Computer ID". You can either paste it into the ID field on the payment page or send it to support@mymoneycalculator.com.au once your payment is complete.



Downloading & Installing The Investment Calculator

Help and info on downloading the calculator and getting it running on your PC.

If you are having trouble with getting the calculator to run please also see our ['Errors' page](#).

The Investment Calculator is a spreadsheet wrapped as a .exe file to allow advanced features and copy protection. We use excel as it is the standard in the finance industry and allows us to spend more time adding features instead of writing code.

System Requirements

The calculator currently requires:

- Excel 2000 or higher
- Windows 2000 or higher

We are in the process of adding support for Macs.

If you are running multiple versions of Excel you can see how to choose which version the calculator uses [here](#).

Excel 2010 64-bit

There have been some issues reported for users running Excel 2010 64-bit. This is common for Excel 2010 64-bit as most add-in developers create their add-ins to be compatible with the 32-bit version only. Click [here](#) to see a diagram of how to find out what version of Excel 2010 you are running.

Downloading

Submit your details on the [download form](#). An email will be sent to the email address you specified to make sure that you've provided a valid email address and that you are not a machine.

The email will contain a link to the download area. This allows you to access the download area at any time in the future.

Choose the version or versions you want to download and click the download button.

After clicking download you can either run or save. It is recommended to save the calculator to your desktop for easy access.

Installing & Uninstalling The Calculator

We know you'll like this - no installation is required!

The .exe file is all that is needed.

To uninstall simply delete the .exe file!

The Analysis Toolpak

The Analysis Toolpak allows advanced finance calculations in excel.

The Analysis Toolpak must be installed or the calculator will not function correctly. Don't worry it's already in excel and free but just isn't running by default. You only need to install it once. The calculator should install the analysis toolpak automatically if it is not already installed, however if a problem occurs you can see how to install the Analysis Toolpak manually.

[How to install the Analysis Toolpak in Excel 2003 >>](#)

[How to install the Analysis Toolpak in Excel 2007 or Excel 2010 >>](#)

Opening The Calculator

Anti-virus programs

When opening the calculator your computer or anti-virus program may give you a warning message. This is because the calculator is in the .exe file format. Anti-virus programs are not very friendly towards many exe type files. There is no malicious material or code in any of the calculators and they are all 100% safe to run. They are in the exe file format for copy protection purposes and in order to allow advanced functions such as saving and loading different scenarios.

License agreement

A user license agreement will appear when opening for the first. Please read this carefully and click I accept when done. The license agreement will not appear again.

Help With Entering Information Into The Calculator

This page goes through each input field one by one and explains what it means, what kind of value you can expect and provides links to helpful [Investment Guides](#).

If you would like further help please don't hesitate to [contact us](#).

Putting information into the calculators

An input section is where you can enter information. Each input section relates to a certain area e.g. your properties, your Shares etc. All sections and fields are optional so you can customize the situation exactly how you want. The Home Page shows you the 7 different sections and lets you jump to each one by clicking on its heading.

Once you have entered all the information you want click the "Calculate" or "View Results" button on the home page to go to the reports page.

On the reports page you will see 2 main reporting sections. One for your entire situation and another for your individual investments. There are different reports available within each.

Changing inputs

You can only enter info into boxes that look like below:



These boxes have a border surrounding them and so can be edited in the inputs.

Some boxes only allow certain values in order to make the calculations valid. If you enter a value that is not allowed e.g. putting text into a numbers only field then an error message will appear and not allow the incorrect entry to be made.

Many boxes have red triangles in the top right. This indicates that there is a comment there to help you with the box.

Saving information from a calculator

You can save multiple scenarios from data you have put into a calculator.

Note that you can only use this feature with a registered copy of a Calculator. You cannot save new data using the trial version. See [buying the Investment Calculator](#) for more info.

To save a scenario simply click the 'Save Scenario' button at the top right of any page in the Investment Calculator. Note that if no fields have been changed you will not be prompted to save.

You can choose any name for your save file e.g. 'George – 2 Investment Properties scenario' and you are able to store it anywhere on your computer.

Opening Previously saved scenarios

You can open any previously saved scenarios by clicking 'Open Scenario' at the top right of any page in the Investment Calculator.

Simply navigate to your saved data and choose 'import'.

Loading saved data from a previous version of the Investment Calculator into a more recent version may cause the data to be imported incorrectly. A warning message will appear notifying you that this may be the case however unless dramatic changes have occurred from the version you are trying to load from the data should load correctly.

Note that opening saved data will overwrite anything you currently have entered into the Investment Calculator.

Purchasing An Investment Property

If you are a first time property buyer and are unaware of some of the terminology used in a calculator, what some of the input areas mean, or what they are for you may find the [Rental Properties Guide](#) useful.

The following provides an explanation and rough estimate of what you can expect for each individual field that relates to property purchase in the calculator.

Purchase in how many years from now?

The calculator works using years. There are 30 years of calculations. This means that investments can be purchased at the end of any year over the 30 year period.

You can purchase an investment today (now) by entering a zero.

Example:

John wants to see the outcome of purchasing a property this year.

He can enter a zero and this will mean that the property is purchased now. The money for any deposit will be taken from his savings account now. He will also start paying any expenses over the course of the 1st year and start receiving rent over the course of the 1st year.

The calculator will display that 0 years from now the property was purchased and in 1 year from now the total rent received during the 1st year and any expenses will be displayed.

John's Cash Flow would look something like below:

Years From Now	0	1
Property Purchase	(500,000)	
Loan Drawn Down	450,000	
Rent Received		20,000
Property Expenses		(30,000)
Cash Surplus / Deficit	(50,000)	(10,000)

Income Details

Weekly rental income

The rent you receive on a property can vary wildly depending on factors such as the area's growth rate, the condition of the property, and property market conditions.

A good rule to follow when calculating the weekly rental income you can expect to receive is that for every \$1,000 of property value you can expect to receive \$100 in weekly rent.

So for a \$500,000 property you can expect to receive $\$500,000 / \$1,000 = \$500$.

This is equivalent to roughly a 5% rental yield.

Example:

Jane is looking to purchase a \$350,000 investment property and doesn't know how much rent she can expect to receive.

Expected rent = $\$350,000 / \$1,000 = \$350$ p week.

Annual rental growth rate

A property's rental income may not always grow at the same rate as the property value. For this reason the rental growth rate and property growth rate have been separated.

The rental growth rate is independent of any inflation rate entered in the calculator.

Example:

John expects to receive a weekly rental income of \$600 on his property in the first year. He estimates the annual rental growth rate as 3% p.a.

In the first year he will receive $\$600 \times 52 = \$31,200$.

Next year he will receive $\$600 \times 1.03 = \618 a week in rent. This is equivalent to \$32,136 a year.

The calculator will display the following results:

Years From Now	0	1	2
Rent Received	0	31,200	32,136

Why does John not receive any rental income in year zero?

Please see how the [yearly calculations assumptions](#)

Annual Vacancy Rate

The annual vacancy rate is the percentage of time that the property will be vacant each year.

It is often the case that when tenants change there will be a period for which the property is vacant and is not being rented out.

You can enter a percentage to tell the calculator what percentage of the year you expect the property to be vacant for.

1 day is equivalent to around 0.3%.

Example:

Alana estimates that her property will be vacant for 7 days a year while she finds new tenants. This is equivalent to $7 \text{ days} / 365 \text{ days} = 1.9\%$ a year.

She expects the weekly rent received to be \$500 a week however she will miss out on 1 week's rent because the property will be vacant this means the rent received for the year will be $\$500 \times 51 \text{ weeks} = \$25,500$.

Expense Details

Expenses should be entered as annual amounts and should only be entered if you are the one who pays and not the tenant. If the tenant pays the expense you will not receive a tax deduction for it and it will also not be a cash outflow.

There are a numerous options in the calculator for expense details and rather than run through each one in detail here you can find all the information on each field in our guide: [Investment Property Cash Expenses & Tax Deductions](#)

Purchase Details

For additional help to what is provided here you can read the [Purchase Costs For An Investment Property or Home Guide](#). It is published by Housing NSW however it is relevant for all other States & Territories.

The total purchase price will form the cost base for the investment. This will affect the capital gains tax payable if the property is sold. To see how capital gains tax is calculated please see the [assumptions](#) on the help & support page.

Property Value

This is how much the property is valued at including land and construction. Property values will vary depending on:

- Property type (apartment, unit, house)
- Location
- Condition of the property

The property value will grow each year at the property value growth rate specified.

Example:

Dave purchases an investment property worth \$450,000 now and expects the property value to grow at 5% p.a.

In Year 0 (now) the property will be worth \$450,000 and at the end of the 1st year it will have risen 5% in value to $\$450,000 \times (1.05) = \$472,500$

The calculator will display the following:

Years From Now	0	1
Proposed Property Value	\$450,000	\$472,500

State of Purchase

The state is used purely to determine that stamp duty payable.

Stamp Duty on Purchase

Stamp Duty is automatically calculated based on the State of Purchase. If you need more help understanding Stamp Duty or want to see the relevant information including discounts, government grants and stamp duty rates you can see the relevant state stamp duty guide below. You can also use our [Free Online Stamp Duty Calculator](#).

Conveyancing / Legal Costs

For help understanding what conveyancing is please see our [Investment Property Conveyancing Guide](#).

You can get an online quote from many property conveyancers. One such service will provide a quote for all types of property for any state:

<http://www.ozpropertylaw.com/conveyancing-quote/buying>

You can expect to pay around: \$500-\$1,500 for conveyancing on a residential apartment valued under \$1.5million.

Other Purchase Costs

Other purchase costs may include costs such as inspection fees. Housing NSW Provides an estimate of how much you can expect to pay in inspection fees.

Building Inspection

A building inspection checks structural soundness and lists any visible defects and necessary repairs.

Approximate cost: \$300-\$700

Pest Inspection

A pest inspection checks for any signs of past or present pest infestation.

Approximate cost: \$200-\$350

Strata Inspection

A strata inspection examines and reports on the written records of the owners' corporation. It is additional to the certificate that the seller supplies, providing relevant information about strata levies, insurances.

Approximate cost: \$200-\$350

Borrowing Costs

The calculator will allow you to account any borrowing costs that arise as the result of borrowing money to finance the property purchase. These may include:

- Stamp duty charged on the mortgage
- Loan establishment fees
- Title search fees
- Mortgage broker fees
- Valuation fees
- Lenders mortgage insurance fees

Please see our [Property Borrowing Costs & Tax Deductions Guide](#) for more information on how borrowing costs work.

Loan Details

Total Acquisition Costs

This is calculated automatically by adding the Total Purchase Price and the Total Borrowing Costs.

It is the total cost of acquiring the property.

Deposit

The deposit is how much you will pay yourself. This amount will be taken immediately from your savings account or if there are insufficient funds there will be a credit facility set up.

Loan Amount Required

The loan amount required is calculated automatically as:

Loan Amount Required = Total Acquisition Costs - Deposit

Example:

Tom purchases an investment property today that is valued at \$500,000 and has a total acquisition cost of \$520,000. He has \$60,000 in savings and he uses \$50,000 as a deposit for the

loan that is required to fund the entire acquisition cost. This will leave a loan amount required of \$470,000

The calculator would display Tom's Cash Flow as below:

Years From Now	0
Cash Flow	
Asset Purchases	(520,000)
Loan Drawdowns	470,000
Cash Surplus / Defecit	50,000

The \$50,000 would be taken from Tom's savings account immediately.

Principal & Interest or Interest Only

This is the payment type for the loan. You can select principal and interest payments or interest only payments.

The Principal is amortized (reduces) at the payment frequency chosen. The interest payable also follows the payment frequency chosen.

Loan Term

This is how long you expect the loan term to be.

This is a powerful field because it allows you to see what will be the cash flow effects of trying to pay down a loan in different time periods. You can change the Loan Term and the calculator will automatically change the amount of the principal payment you make each period to pay down the loan over that term.

Payment Frequency

You can change the payment frequency between the 3 most common options; monthly, fortnightly and weekly.

Note that the loan will be paid down in the Loan Term you specify. Changing the payment frequency will not make the loan be paid down any faster.

Changing the loan term will however change the interest payable for the year. You can see our [Monthly Vs Fortnightly Home Loan Payment Guide](#) for more information on the difference between payment frequency.

Interest Rate

The Free investment calculator will allow you to choose the interest rate over the life of the loan. The Standard and Pro versions will allow you to vary the interest rate in any year that you want to via the 'Yearly Changes' page.

Calculated Payment

The principal and interest or interest only payment is calculated automatically and shown in the loan details section to give a quick idea of the amount.

Selling A Property

Sell In How Many Years

The calculators will allow you to sell a property at least one year after having purchased it.

The Sale of the property will occur after however many years you specify.

Example:

James is planning on purchasing a property valued at \$500,000 in 1 year from now and selling it in 3 years. He believes the total acquisition costs will be around \$520,000 and he will be using a \$50,000 deposit and a \$470,000 interest only loan from the bank. He hopes the property will grow at 5% p.a. over the 3 year period.

Let's assume no tax on capital gains for the purposes of illustration.

The calculator will display James' assets and loans something as follows:

Years From Now	0	1	2	3
Savings Account	60,000	10,000	10,000	91,250
Property Value	-	500,000	525,000	-
Loan Amount	-	(470,000)	(470,000)	-
Equity	60,000	40,000	65,000	91,250

James' Cash Flow From Financing will look something like below:

Years From Now	0	1	2	3
Asset Sales / Purchases	-	(520,000)	-	551,250
Loan Drawdowns / Repayments	-	470,000	-	(470,000)

Total	-	(50,000)	-	81,250
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So at the end of year 3 James has sold his property and received \$551,250 dollars. He has also paid off the loan on that property and this will leave him with \$81,250 which he puts into savings.

Note there are also capital gains tax calculations in the calculator that will mean the amount actually received by James will be less.

Sale Price

The calculator will automatically calculate the value of the property in the sale year given the property growth rate that you have specified. The Sale Price option allows you to either use the calculated value or to choose a sale value yourself.

Chosen Sale Price

This will let you override the calculated value for the chosen sale year and enter in your own estimate of the sale price. Note you must also select 'choose' in the sale price drop down to override the calculated value.

Selling Costs

The costs of selling a property can actually be quite extensive and can include:

- Real estate agent costs
 - Commission charged
 - Advertising costs
 - Auction costs
- Government Charges
 - Discharge of mortgage registration
- Bank Fees & Charges
 - Preparation &/or Execution by Bank of Discharge of Mortgage
 - Settlement Fee
 - Early Exit Fee
 - Prepayment Fee

Assumptions & Calculations

Here we give a bit of an understanding of how some of the calculations are performed in the Investment Calculator and the assumptions used.

How does the timing work?

The projection period begins at Year 0. This symbolises today, or now.

Example: purchase a property in year 0.

This is saying purchase the property now. The property value will come in now, you will start receiving any rent now, and you will have to start making any repayments now.

Any deposit required will be taken from your savings account or line of credit that you have entered as your existing balance.

Year 1 represents the end of the 1st year. Year 2 represents the end of the 2nd year etc.

Example: purchase shares at the end of year 3 for \$10,000 with 5% p.a. capital growth

At the end of year 3 the value of the shares will be \$10,000. At the end of year 4 the value will have grown by 5% (\$500) so you will see the year 4 value of \$10,500.

Example: purchase a property in 3 years.

The property will be purchased at the very end of the 3rd year. Because it was not held from the very start of year 3. no cash flows will occur in year 3.

In year 4 you will a full years cash flows will occur; a full year of rent will be received, a full years worth of expenses will be paid etc. because the property was owned from the very beginning of year 4.

Cash Flows

Cash Flows are separated into 2 sections:

1. Cash from salary and investments (Ongoing Cash in and Cash out relating to your investments & job)
2. Cash from financing (Money coming in or out from drawing down loans, repaying loans, purchasing assets or selling assets)

These 2 sections are added together to give the total cash flow. If the total cash flow is positive it is paid to your savings account, home loan, or line of credit depending on what which you have

chosen in the personal details section. If the total cash flow is negative the amount will instead be taken from one of the above accounts.

How is the money allocated?

You can choose where to put the money that is left over in the personal details section. You can either add it to your savings account or pay down your home loan. Note that if you choose the home loan option once your home loan reaches 0 any surpluses will automatically be added to your savings account.

What if my cash flow goes negative?

The calculator will first drawdown any savings that you have. When your savings reach 0 a line of credit will be drawn from. The line of credit can be seen as drawing on any equity you may have such as your home, your investments, or drawing from a credit card.

Interest will be charged at the same interest rate chosen for savings.

If you begin to see increasingly large amounts in the line of credit account it is a good indication that you can't afford the investment strategy.

Super

Compulsory Contributions

9% of your salary and bonuses is added to super. Using a percentage ensures any changes to your salary or bonuses also work into your super.

Example: you enter a salary of \$95,000 and a bonus of \$5,000 to make a total of \$100,000. \$9,000 will be contributed to super and you will be paid the full \$100,000 making a total of \$109,000 in super, salary, and bonuses.

Contributions Caps

- For people older than or equal to 50 there is a 50,000 cap for financial years 2010/2011 and 2011/2012 (2 more financial years)
this 50,000 is static.
- For people under 50 there is a 25,000 cap that increases with the inflation level chosen
- Bring-forwards are not capable for people =>65

Income Tax

Where possible the tax calculations performed in the calculators have been checked and verified correct with the ATO.

Income Losses are carried forward and are used to offset future tax payable on income only. They cannot be used to offset future capital losses.

Tax concessions and offsets such as LITO, Family Tax Benefits etc. are not included. The only tax offset that is included is franking credits.

The Investment Calculator allows you to choose the tax rates used in the personal details section. These rates will be used throughout the calculations. Tax rates cannot be varied into future years, we are currently adding support for this.

You can enter custom tax rates from the personal details section.

Medicare Levy

The Medicare Levy is calculated as 1.5% of taxable income. Because the Medicare Levy tax laws are quite complex to make things simpler the Medicare Levy of 1.5% is always added. There is no Medicare Levy reduction for low income earners in the calculations.

There is the option to choose whether to apply the Medicare Levy Surcharge or not via the *Investor Details* page under *Inputs*.

Check out our [Medicare Levy Surcharge and Medicare Levy Explained Guide](#) for more info on the Medicare Levy.

You can also use our online [Income Tax Calculator](#) for simple calculations.

Depreciation

Check out our [How Does Depreciation Work With Investment Properties? Guide](#) for a more general explanation about depreciation.

1. Construction - aka Building & Foundations

The following formula is used:

$$\text{Deduction} = \text{Construction Cost} * \text{Deduction Rate}$$

Note that depreciation for construction depends on the year of construction chosen.

- If purchased before 1979 there is no period over which a deduction can be made.
- If purchased between 1979 and 1983, or after 1986 there is a 40 year period

over which a deduction can be made at rate of 2.5% each year.

- If purchased between 1984 and 1986 there is a 25 year period over which a deduction can be made at a rate of 4% each year.

The construction depreciation is counted as 'capital works' by the ATO and so reduces the cost base for the property for capital gains tax calculations.

This follows the ATO guidelines.

2. Depreciation for Fit-Out

These items relate to fixtures and fittings such as fridges, furniture, and TV.

The 'prime cost' method is used as specified by the ATO.

The formula used to calculate the deduction is:

$$\text{Deduction} = \text{Fit-out Cost} * (100\% / \text{Asset's Effective Life})$$

Where the fit-out cost is the value chosen in the properties page.

The Asset's Effective Life is 30 years from the date of property purchase for proposed properties and from today for existing properties (for simplicity purposes).

What happens to the fit-out when I sell the property?

The fit-out is no longer used for investment purposes once the property is sold and so is no longer deductible.

It is assumed that the Fit-Out will also be sold when the property is sold either with the property or separately. The Fit-Out value comprises part of the property value.

There are no tax effects on what happens to the fit-out because the fit-out depreciation claimed every year means that no tax will be payable or refundable on the sale.

Fit-Out does not affect capital gains.

Franking Credits & Dividends

Franking Credits are calculated according to the following formula:

$$Div * [Tc / (1 - Tc)] * fp$$

Tc = company tax rate. fp = franking percentage, Div = Cash Dividend Received

The cash dividend is treated as a cash flow if not re-invested. If re-invested the value is used to purchase more shares / units at the share / unit price at that time.

The grossed-up dividend amount is what is used to determine your taxable income from shares / managed funds.

Franking Credits are added to the cash dividend figure to give the grossed-up dividend amount.

They are then used to offset your tax payable.

If the franking credit offset is greater than your tax payable you will receive a refund equal to the difference.

If you would like to see how franking credits work in general you can see our [Franking Credits Explained](#) guide in the Investment Guides area of the site. You can also use our online [Franking Credits Calculator](#) to calculate the franking credits on your cash dividends.

Capital Gains Tax - Example

You can choose the year a property was purchased for any existing properties. If the property was purchased before 1985 no capital gains tax is payable. If the property was purchased before 1999 the capital gain is calculated using both the indexation method and the discount method. The lesser of both is used.

For any purchase after 1999 the discount method is used since the indexation method is not allowed.

The cost base adds selling costs and purchase costs and subtracts construction depreciation claimed in previous years.

John sells a property for \$814,447 that he bought for \$500,000. He paid purchase costs of \$17,990 in stamp duty and \$250 in loan-set up costs. When he sold the property he paid \$10,000 in selling costs. He had also claimed \$62,500 in depreciation over the time he held the property.

Calculation:

Sale Price 814,447

Minus: Cost Base

Purchase Price 500,000

Depreciation Claimed (62,500)

Selling Costs 10,000

Purchase Costs:

Stamp Duty 17,990

Loan Set-Up Costs 250

Total (465,740)

Capital Gain 348,707

50% discount Divide by 2

Taxable Capital Gain 174,354

Since John had held the property for more than a year he can apply the 50% capital gains tax discount making the total taxable capital gain \$174,354.

Capital Losses are carried forward and are used to offset future capital gains tax payable only. Capital losses cannot be used to offset future tax payable on income.

The calculations used have been fully confirmed with the ATO.

Shares / Managed Funds

The average price paid method is used. Shares / units are purchased at a price that increases each year at the chosen capital growth rate.

Inflation

The rate of inflation can be chosen.

The inflation rate will not change any investment values or income from investments. Investment value growth rates and income rates are chosen separately.

The following items increase automatically with the chosen rate of inflation each year:

- Ongoing property expenses including: Accounting, Body Corporate Fees, Council Rates, Repairs and Maintenance, Electricity & Water Charges, Borrowing Expenses, Insurance, Land Tax, Other Ongoing Deductible Expenses.
- Lifestyle Expenses
- Salaries
- Bonuses
- Ongoing Super Fund Fees (\$ p.a.)
- Ongoing Non-concessional Contributions

You have the option as to whether the following items automatically increase with the chosen rate of inflation:

- Other ongoing expenses

The Investment Calculator allows you to make changes in different years in the Yearly Changes page. The \$ value you enter will be higher in the calculations by the inflation level at that time.

If you do not want to see the effects of inflation just change the inflation rate to 0%.

Reading Reports

The Investment Calculator creates a number of great reports that provide a lot of detail about an investment and your overall situation. This area provides help with reading and understanding what these reports mean.

The three different report sections

There are different sections available in the reports page depending on the calculator you are using. For the Investment Calculator you will see the following reporting sections;

1. Entire situation
2. Individual Investments
3. Super

Your entire situation will give the full overview of all your investments combined with your salary, bonuses, living expenses etc. It shows you everything you have put into the calculator. Only totals for each investment is shown.

The individual investments section is for viewing each investment in-depth. You can see how all the totals for the entire situation reports are calculated. Click on a heading to be taken to that report then simply choose the investment you would like to see in the drop down list under which 'investment would you like to see?'

Entire Situation Reports

Cash from salary and investments

These are the ongoing cash in and ongoing cash out income and expenses relating to your investments and job.

The net cash flow from salary & Investments figure here will give you the best estimate of your regular cash left over each year from all your investments and salary.

Note that the net cash flow from salary and investments does not include lifestyle expenses and other one-time expenses in order to give a full idea of how much you have left to spend on your lifestyle.

The Total Cash Surplus (+) or Cash Deficit (-) includes the lifestyle expenses and one-time expenses as well as 2 more amounts:

1. Net Loan Drawdowns (+) / Repayments (-)
 - Any loans you have created or repaid (includes principal payments on your home or investments)
2. Sale of Assets (+) / Purchases of Assets (-)
 - Money coming in from selling an investment or money being used to purchase an asset. These 2 items come from the Cash Flow From Buying, Selling, & Loans Section.

The Where does the money go? Section shows where the Total Cash Surplus / Deficit will be paid to or taken from. If the Total Cash Surplus / Deficit is positive it represents a cash surplus and will be paid to one of the accounts listed. If it is negative it is a deficit and must be taken from one of the accounts.

Cash flow from Buying, Selling & Loans

These items relate to money coming in and going out from any purchases, sales, or principal repayments. A full breakdown is below

Example: you purchase a \$500,000 investment property using \$400,000 borrowed from the bank and \$100,000 of your own money.

You receive the \$400,000 from the bank (+).

You pay out \$500,000 for the investment property (-)

The -\$100,000 shortfall will appear as the Net Cash Flow From Buying, Selling & Loans.

Where does this figure go?

The net cash flow from financing feeds is combined with the cash flow from salary and investments to produce the total cash flow figure.

If the total cash flow is positive and you have no line of credit drawn down it is paid to either your savings account or home loan depending on what which you have chosen in the personal details section. If you have a line of credit drawn down the cash will first be used to pay down the line of credit. If the total cash flow is negative the amount will instead be taken from one of the above accounts.

Using the example above:

You have \$80,000 left over from your salary and expenses and \$20,000 in the bank from last year. The \$100,000 shortfall will be covered by the \$80,000 left over and \$20,000 will be taken from your bank account.

Assets, Loans, Net Worth

Year 0 shows today or now. Year 1 shows balances at the end of year 1. For a break-down of individual investment loan repayments or the equity in individual loans please see the Individual investments reports or Cash flow from financing report.

Taxes

To see a full breakdown of how the Net Taxable Profit or Loss is calculated for each investment see the Profit / Loss page in the Individual Investments section.

For all the assumptions relating to tax click here.

Individual Investments Reports

Profit / Loss

Total Taxable Expenses and Total Cash Expenses will differ by the amount of the non-cash elements.

Borrowing Costs and Depreciation are tax deductible but are not actual ongoing cash payments. Borrowing costs are paid at the outset of the loan.

If you want to see a graph of cash or tax profit and loss see the Investment Summary Report.

How much your investment will cost you

Tax savings from losses in previous years are not included in this page.

If the out of pocket profit / cost is positive the 'how the costs will be paid' pie graph will be somewhat irrelevant.

Errors Help

Refer here for common errors that some users experience when trying to download, open, or use the Investment Calculator.

I have found an error that is not listed here.

Whilst every effort is made to ensure that the calculators are error free, as with any software, bugs can occasionally arise.

The calculators are updated almost every month with new features, bugfixes and new calculations.

[You can view the updates here](#) to see if the error you are experiencing has been solved already.

If you should find what could possibly be an error please [contact us](#) or leave a reply at the bottom of the page and we will resolve the issue immediately.

Downloading or opening the Calculator

In addition please see the [Downloading and Installing Help Page](#).

The Calculator Won't Open or Closes Immediately

Please ensure that your computer is compatible with running the calculator.

Requirements:

- Windows 2000 or greater
- Excel 2000 or greater

Currently the Investment Calculator will not function on a MAC.

There have also been compatibility issues reported for Excel 2010 64 bit.

Other steps you can try to get the calculator running.

The Investment Calculator makes use of an Excel add-in. Often Excel can become damaged and files corrupted. A repair is extremely easy and quick to perform and can often resolve many issues.

1. Repair Excel (See here for steps on how to do this for [Excel 2003](#) , [Excel 2007](#) , [Excel 2010](#))
2. Install the Analysis ToolPak in Excel while the Investment Calculator is not running.

The 'Analysis Toolpak' that is required for the calculator to function correctly. It is an add-on to Excel that just isn't installed by default. My suggestion is to install the toolpak in Excel then try running the calculator.

This is because the calculator tries to install the Analysis Toolpak when it is opened if it is not already installed on in Excel. There may be a conflict or permission error when this is attempted.

Please see the [Downloading and Installing Page for instructions on how to install the Analysis Toolpak](#).

I get a warning from my computer when I try to open a calculator

When opening the calculator your computer or anti-virus program may give you a warning message. This is because the calculator is in the .exe file format. Anti-virus programs are not very friendly towards many exe type files. There is no malicious material or code in any of the calculators and they are all 100% safe to run. They are in the exe file format for copy protection purposes and in order to allow advanced functions such as saving and loading different scenarios

Ensuring your computer can run the property calculator with no errors

The calculator requires Excel 2000 or higher and Windows 2000 or higher. Some users have reported issues with Excel 2010 64-bit.

Excel must have the Add-in Analysis Toolpack installed. To install the Analysis Toolpak follow the instructions [here](#).

The Investment Calculator won't open anymore

The standard and pro editions of the Investment Calculator are free to use for 7 days. After that period you will not be able to open the Investment Calculator.

You will need to obtain a registration key in order to unlock the full version of the Investment Calculator

[Click here to see how to obtain your registration key](#)

I already have a registration key.

For the Investment Calculator to open the registration key must be in the same folder as the Investment Calculator

Example: The Investment Calculator is saved in My Documents. The registration key file must also be saved in My Documents.

The registration key must not be renamed. It must have the same name as the application (Investment Calculator) in order for it to work correctly.

Using the Investment Calculator

The links in the reports page don't work

In Investment Calculator versions prior to version 1.3.09 there was an issue with using the links in the reports page from the 'Entire Situation' Section. This issue has been fixed.

I'm seeing #N/As

If you have entered a name for an investor or property you may see #N/As on a reports page. This is because the calculator has a default name selected on the reports and when you enter a new name the calculator can't find the default anymore.

Solution: Use the 'which investment / investor would you like to see?' dropdown and choose an investment or investor.

#N/As may also appear because the calculations require the Analysis Toolpak to be installed and you are using a version of excel that does not have it installed.

To install the Analysis Toolpak for Excel 2003 follow the instructions [here](#). For Excel 2007 or 2010 follow the instructions [here](#).

I'm seeing #VALUE!s

This has most likely happened because you have put text into a box that is supposed to only have numbers.

Solution: Go through the inputs sections and make sure that the right boxes have numbers and the right boxes have text.

Why can't I save?

You need to have a registered copy of the Investment Calculator in order to save a scenario.

To get the registered version please click [here](#).