

Introducing Advanced Techniques

Key Learning Outcomes

- Understand how Data Links can be used to extend the reach and power of a Castaway model
 - Learn how to work with Data Links
 - Utilising the What-ifs feature
 - Importing Forecast Data
-

The Story

To ensure that Smith's Chocolate Company is successful, Smith now needs your help to stress-test the business. He has asked you to perform some what-if analysis and model some scenario stories.

In this module, we'll look at how to use some of Castaway's more advanced modelling features to achieve this. Before we start, it's important to note that the quality of any modelling outcome is directly related to the quality of the model being used. In simple terms, if we change sales by 5%, the model must be able to accurately describe how the business will respond to that change. Will COGS change, or inventory, or staffing, or marketing cost, or admin cost, or ... you get the picture.


If the model does not respond accurately, we're not modelling ... we're having 'fun with maths'.

What ifs

You can apply a percentage change to Sales, Costs, Wages and Inventory elements without altering the underlying forecast data and immediately see the impact on the entire forecast via the reports

This option allows for quick analysis of % changes in P&L data

To do this:

1. Highlight the element in the Chart of Accounts
2. Find the What If toolbar 
3. Enter in a % against the What If %. (120% will be a 20% increase and 80% will be a 20% decrease)
4. Click on the Calculate button to apply the What If
Note that the reports change and also font colour of the element changes in the Chart of Accounts
5. Click on Reset to revert the reported data back to the data contained within its data entry screen

Data Links

DataLinks create a live, dynamic connection from data in Excel across to Castaway. Once a DataLink is in place, changes saved in the Excel spreadsheet are instantly transferred across to Castaway. This feature opens up an enormous range of modelling possibilities.

DataLinks can also be established between different Castaway forecasts.

To set up a DataLink:

1. Go to Forecast > Manage Datalinks
2. Select the Element you want to link
3. Click the **Select File** button to choose your Excel file
4. Select the Excel cell range
5. Click on the green + symbol in the variable table to establish the link

CASTAWAY Samplers Wine Company

File Setup Forecast Reporting Window

Chart of Accounts

Profit and Loss

Local Wine Sales

Red Wine Sales - Local

White Wine Sales - Local

Sparkling Sales - Local

Local Wine Costs

Red Wine - Local

White Wine - Local

Sparkling - Local

Imported Wine Sales

Red Wine Sales - Imported

White Wine Sales - Imported

Sparkling Sales - Imported

Imported Wine Costs

Red Wine - Imported

White Wine - Imported

Sparkling - Imported

International Freight

Expenses

General & Admin

Manage Datalinks - Red Wine Sales - Local

Datalinks

Variable	Link Reference	Negate	Factor
SALES - Enter Sales Units	[I:\Mac\Home\Documents\Castaway\Exports\Samplers Wine Company Profit & Loss (Projected)_06.xls] - Profit & Loss!B\$22:\$	<input type="checkbox"/>	1.00
SALES - Rate per Unit	<None>	<input type="checkbox"/>	-
SALES - Days Credit	<None>	<input type="checkbox"/>	-

What If (%) 100 Reset Calculate Account Number (id)

	Opening	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	2017 / 2018	2018 / 2019
SALES															
Enter Sales Units		100,000	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0	0	600,000	0
Rate per Unit		25.00	25.00	25.00	25.00	25.00	25.00	20.00	20.00	20.00	20.00	20.00	20.00	15,000,000	0
Net Sales Revenue		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	15,000,000	0
Transfer Interest from Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Revenue (P&L)		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	15,000,000	0
INVOICES															
Net Invoices		2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	0	0	0	0	0	0	16,500,000	0
RECEIPTS															
Days Credit		14	14	14	14	14	14	14	14	14	14	14	14	14	14
Cash Receipts		1,466,667	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	1,283,333	0	0	0	0	0	0	0
Data Sources															
Imported Wine Sales [PL.SALES.SUBTOT.G1]		100,000	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0	0	600,000	0
Red Wine Sales - Imported [SalesElement.12.PLR.V.SAL]		100,000	100,000	100,000	100,000	100,000	100,000	0	0	0	0	0	0	600,000	0
White Wine Sales - Imported [SalesElement.13.PLR.V.SAL]		50,000	50,000	50,000	50,000	50,000	50,000	0	0	0	0	0	0	300,000	0
Sparkling Sales - Imported [SalesElement.14.PLR.V.SAL]		50,000	50,000	50,000	50,000	50,000	50,000	0	0	0	0	0	0	300,000	0
Total Imported Wine Sales [PL.SALES.SUBTOT.G1]		210,000	210,000	210,000	210,000	210,000	210,000	0	0	0	0	0	0	1,200,000	0
Imported Wine Costs [PL.COSTS.SUBTOT.G1]															
Red Wine - Imported [StockElement.15.P.LCO.STO]		34,617	34,015	33,866	33,818	33,800	33,792	30,740	29,182	28,337	27,778	27,778	27,778	28,337	2
White Wine - Imported [StockElement.16.COSTO]		17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	17,778	1
Sparkling - Imported [StockElement.17.P.O.COS]		36,023	36,282	36,286	36,288	36,288	36,288	36,288	36,288	36,288	36,288	36,288	36,288	36,288	1
International Freight [CostsElement.18.P.T.G16]		4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	4,421	
Total Imported Wine Costs [PL.COSTS.SUBTOT.G1]		92,839	92,421	92,381	92,382	92,382	92,382	85,270	83,782	82,337	81,337	81,337	81,337	82,337	4

Launch source file

Refreshes the source view

Best practice

- ✓ Save your **Data-linked** file and your **Castaway** file in the same folder
- ✓ Allocate a tab in your **Excel** spreadsheet just for **Datalinks**
- ✗ Avoid renaming your **Data-linked** file

Data Sources

Excel Datalinks

Forecast Datalinks

Select File


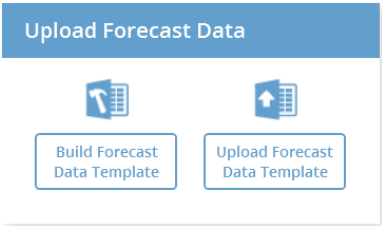
New File....

Samplers Wine Company Profit & Loss.xls

Data Links Rules

1. Create a Datalink Tab
2. Keep Castaway Files and Excel File together in the same Folder
3. Do not rename or move your Excel file
4. Do not link to annual reports if you intend to extend your datalinks

Importing Forecast

1. Go to  External Sources
2. Select "Build Forecast Data Template"

3. Select Folder to save file
4. Castaway will open an Excel File with all the Elements you have created with your current data entry
5. Enter the data into the Excel Template and Save
6. In Castaway select "Upload Forecast Data Template"
7. Go to the directory where you have saved your file. Select your file and then click Open

Skill Builder

1. Datalinks
 - a. In Wage & Salaries link the Wages, PAYE and NIC to rows 44, 45 and 46 in the Wages Expense.xls file
2. Build Forecast Data Template
 - a. Build a Forecast Data Template
 - b. Change Milk Chocolate Sales Units to 5000 per month and Rate per Unit to £15 per month
 - c. Upload Forecast Data Template
3. What if
 - a. Apply a "What if" to rent and increase it by 50%