

Special Report For:

**Business Owner
Managers
Office Manager**

Looking Ahead Series

- **Starting to Cashflow Forecast**
- **GST/VAT/Sales Tax & Bank**
 - **Direct Costs & Sales**
 - **Use of Scenarios**
- **Multiple Companies and or Cost Centres**
 - **Different Currencies**
 - **Views**
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Looking Ahead – Multiple Companies and or Cost Centres

In the previous articles we have looked at years and scenarios. There is a third category and this is multiple companies/cost centres.

Driving a Business - Std Example 3.cfs - Multi-SWAC Standard

File View Cashflow Item Help

Figures are GST EXCLUSIVE

Scenario 1 (Wt = 1)

Company 1

2013 Graphs

Description	GST	Apr	May
INCOME			
Sales	S	5,000	6,000
Total Income		5,000	6,000
DIRECT COSTS			
Purchases	S	3,000	3,600
Total Direct Costs		3,000	3,600
GROSS SURPLUS		2,000	2,400

In the screen shot above these are displayed in the second row of tabs. Currently only one is shown - Company 1.

In the following examples we will have two companies/cost centres named Uptown and Downtown. Let's assume that the current information is for Uptown, therefore, we need to edit the tab name by right clicking on the tab and select Edit Company. Over write the company name with Uptown. See below.

Driving a Business - Std Example 3.cfs - Multi-SWAC Standard

File View Cashflow Item Help

Figures are GST EXCLUSIVE

Consolidated (Wt = 0) Worst (Wt = 2) Most Likely (Wt = 4) Best (Wt = 3)

Uptown

2013 Graphs

Description	GST	Apr	May
INCOME			

Next we will add the company/cost centre Downtown. Right click on the tab Uptown and select Add Company, the following window will appear.

As can be seen there are two sections:

- Copy from – you can either start with a blank screen or use data from another company/cost centre. We will select Blank.
- Company name – Enter Downtown.

You should now have:

Description	GST	Apr	May
INCOME			
Sales		-	-
Total Income		-	-

Note that not only has Uptown tab been added but also a tab called Consolidated. Also all the items that have already been entered on Uptown tab are also displayed but with no amounts entered. Also the tab has been added to all the scenarios.

To show the operation of the Consolidated tab select the Most Likely tab, enter 1,000 in the Sales line across all months in the Downtown tab. Ensure GST code of S is selected also.

Now have:

Driving a Business - Std Example 3.cfs - Multi-SWAC Standard

File View Cashflow Item Help

Figures are GST EXCLUSIVE

Consolidated (Wt = 0) Worst (Wt = 2) **Most Likely (Wt = 4)** Best (Wt = 3)

Consolidated Uptown **Downtown**

2013 Graphs

Description	GST	Apr	May	Jun
INCOME				
Sales	S	1,000	1,000	1,000
Total Income		1,000	1,000	1,000

DIRECT COSTS

Select the Consolidated tab and you should have the following for the Most Likely:

Driving a Business - Std Example 3.cfs - Multi-SWAC Standard

File View Cashflow Item Help

Figures are GST EXCLUSIVE

Consolidated (Wt = 0) Worst (Wt = 2) **Most Likely (Wt = 4)** Best (Wt = 3)

Consolidated Uptown Downtown

2013 Graphs

Description	Apr	May	Jun
INCOME			
Sales	6,000	7,000	7,000
Total Income	6,000	7,000	7,000
DIRECT COSTS			
Purchases	3,000	3,600	3,600
Total Direct Costs	3,000	3,600	3,600
GROSS SURPLUS	3,000	3,400	3,400
EXPENSES			
Bank Fees	30	30	30
Rent	875	875	875
Rates	-	-	600
Stationery	25	25	25
Telephone	120	120	120
Total Expenses	1,050	1,050	1,650
NET SURPLUS BEFORE INTEREST	1,950	2,350	1,750

What you have is the sum of both the Uptown and Downtown figures. The Sales in Apr is made up of 5,000 from Uptown and 1,000 from Downtown. The expenses are all from Uptown as there were none entered in Downtown. We now have a forecast including the both cost centres for the Most Likely case.

As there has been no amounts entered in the other two scenarios (Worst and Best) the Consolidated cost centres are the same as the Uptown cost centre.

Selecting the Consolidated scenario and the Consolidated company/cost centre we now have a forecast based on the two cost centres and the weighted average of the various scenarios.

Other uses:

What other uses are there for additional companies/cost centres. You may only have one company/cost centre but have various sales lines that have different percentage cost of purchases. In these cases raise a company/cost centre for the various sales lines and alter the % of the purchases. The Consolidated company/cost centre tab will add all the sales and purchases lines together giving a total of them all thus allowing for the various cost of purchases.

If we edit purchases to be 25% on the Downtown tab, and having selected the Consolidated Scenario and Company tabs will get the amounts shown:

Driving a Business - Std Example 4.cfs - Multi-SWAC Standard

File View Cashflow Item Help

Figures are GST EXCLUSIVE

Consolidated (Wt = 0) Worst (Wt = 2) Most Likely (Wt = 4) Best (Wt = 3)

Consolidated Uptown Downtown

2013 Graphs

Description	Apr	May	Jun
INCOME			
Sales	5,556	6,889	7,556
Total Income	5,556	6,889	7,556
DIRECT COSTS			
Purchases	3,078	3,878	4,278
Total Direct Costs	3,078	3,878	4,278
GROSS SURPLUS	2,478	3,011	3,278

The next article will discuss how we can allow for company/cost centres to be in different currencies. To do this we will use Multi-SWAC Advanced.