

# Budgeting and Forecasting from Rogers Analytics

*financial modelling &  
business analysis in  
the mining industry*

**Rogers** \_\_\_\_\_  
\_\_\_\_\_**Analytics**

# Rogers Analytics & Xeras Software

Rogers Analytics financial planning applications are built on the Xeras\* financial modelling software platform.

Xeras has played a key planning role in the mining industry since the mid 1990's. It has proved itself second to none in reliability, ease of use and auditability of its financial models.

Xeras is used extensively as a platform for the development of strategic, long term and short term financial planning models as well as maintenance budget models.

Now Rogers Analytics'+ exceptional experience in design, implementation and support of Xeras models is now independently available so that you can get the best value from your Xeras software investment.

*\*Xeras is a registered trademark of Runge Ltd.*

*+Russell Rogers, the principal consultant for Rogers Analytics, was the originator of Xeras at Runge and championed its development and introduction into the mining industry .*

**Rogers \_\_\_\_\_**  
**\_\_\_\_ Analytics**

# Rogers Analytics can provide the budgeting and forecasting solution using Xeras software that:

- encourages your financial planning to be intrinsically linked to the dynamics of your production schedule, equipment utilisation, markets, exchange rates and more to produce the best possible result.
- is easier to learn, use and maintain than other similar solutions;
- is auditable and transparent to ensure that results are accurate and reliable.
- significantly improves budget preparation times to promote more refinement and to more easily meet tight deadlines;
- allows actuals import for a complete forecast and exporting of results for upload to your accounting system;
- has an unusually long life resulting in a low life cycle cost;
- can be efficiently and effectively implemented and supported by Rogers Analytics.

*A world apart from attempting budgeting and forecasting using Excel\* or ERP systems.*

\*Excel is a trademark of Microsoft Corporation

# Clear & Concise – Useable & Powerful

The screenshot displays a software interface with several windows:

- Assumptions:** A list of folders including Equipment Input, Labour Types, Price List, and Financial.
- Plan:** A hierarchical tree view starting with 'Total', branching into 'Site', 'Admin', 'Mining', and 'Maintenance'. Sub-folders include GM, Commercial, HSE, HR, and various departmental folders like 1011\_Mgr\_Mining, 1012\_Supt\_OpsMining, etc.
- Reports - Standard:** A list of report folders including Executive Summary, Assumptions, Labour Summary, Department Reports, Expense Detail, Equipment Fleets, and Stocks.
- Reports - Site:** A list of report folders including Mine Site Summary and Joes\_Special.
- Audit:** A list of report folders including Main Audit and Collective Audit.
- Title : Title : Title:** A summary report window for Royal Atlantic Limited. It displays the following information:
  - Royal Atlantic Limited**
  - Royal Atlantic Operations**
  - Model: RA Xeras Budget v08 Draft 20091101
  - Scenario: Qtr 3 Forecast Demonstration

	2009	2010	2011	2012
Expenses \$M	\$342	\$355	\$350	\$362
Labour no.	678	678	678	678

  - Plan Custodian: **Jim Kirk**
  - Footer: This licensed model has been designed and implemented by Rogers Analytics Pty Ltd for Rogers Analytics Pty Ltd

# Forecast results as grouped expenses

## Forecast and Plan

ABC Onsite Summary  
Qtr 3 Forecast Demonstration  
Custodian:

Jan 2009 Actual	Feb 2009 Actual	Mar 2009 Actual	Apr 2009 Actual	May 2009 Actual	Jun 2009 Actual	Jul 2009 Actual	Aug 2009 Actual	Sep 2009 Actual	Oct 2009 Plan	Nov 2009 Plan	Dec 2009 Plan	2009
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## Grouped Expenses

		Jan 2009 Actual	Feb 2009 Actual	Mar 2009 Actual	Apr 2009 Actual	May 2009 Actual	Jun 2009 Actual	Jul 2009 Actual	Aug 2009 Actual	Sep 2009 Actual	Oct 2009 Plan	Nov 2009 Plan	Dec 2009 Plan	2009
Direct Labour	\$ Labour	5,979,320	6,047,780	6,284,459	6,200,006	6,061,507	6,363,387	7,764,214	6,985,910	7,151,067	6,495,603	6,311,640	6,495,603	78,140,497
Indirect Labour	\$ Labindirect	39,219	37,305	35,803	39,843	34,847	40,035	34,749	36,172	38,126	33,613	33,613	33,613	436,940
Electricity	\$ Electricity	611,414	653,303	649,281	581,870	562,961	594,349	634,249	614,796	625,676	347,536	370,290	373,800	6,619,524
Fuel	\$ Fuel	7,067,468	7,394,114	5,447,265	8,443,795	6,113,616	7,088,255	6,014,646	6,863,695	6,983,051	6,830,805	6,830,805	6,830,805	81,908,320
Explosives	\$ Explosives	730,328	1,019,229	1,155,786	840,197	936,619	1,196,633	1,057,346	987,521	826,602	824,132	824,132	824,132	11,222,656
Tyres	\$ Tyres	174,691	123,395	245,168	222,968	193,818	187,714	195,109	180,762	211,853	641,543	641,543	641,543	3,660,108
Consumables	\$ Consumables	1,522,105	1,538,557	1,425,687	1,426,060	1,524,511	1,787,459	1,573,318	1,648,011	1,637,186	1,526,182	1,578,125	1,548,212	18,735,414
Maintenance Parts	\$ Parts	7,776,228	8,056,968	7,923,984	7,836,610	7,943,749	7,983,652	8,148,352	7,865,509	8,119,710	7,621,791	7,624,579	7,551,817	94,452,950
Equipment Hire & Lease	\$ EquipHire	4,917	9,083	6,833	5,333	5,750	12,833	7,667	13,000	4,167	8,333	8,333	8,333	94,583
Consultants & Contractors	\$ Contractor	2,077,711	2,312,180	2,304,352	2,071,887	1,878,736	2,663,312	2,507,002	2,681,213	2,373,982	2,425,542	2,386,566	2,421,797	28,104,280
Maintenance Contractors	\$ MaintCont	196,057	188,993	163,887	197,669	206,738	931,012	841,959	1,210,543	479,802	949,824	958,873	957,263	7,282,620
Mining Contracts	\$ MineCont	534,711	446,449	790,471	971,832	780,769	740,743	627,229	426,669	950,865	747,011	747,011	747,011	8,510,770
General & Admin	\$ GenAdmin	198,288	201,483	213,908	260,831	222,439	174,116	246,382	208,100	255,431	196,060	306,060	229,060	2,712,158
<b>Total Site Expenses</b>	<b>\$</b>	<b>26,912,458</b>	<b>28,028,841</b>	<b>26,646,885</b>	<b>29,098,902</b>	<b>26,466,062</b>	<b>29,763,502</b>	<b>29,652,222</b>	<b>29,721,902</b>	<b>29,657,516</b>	<b>28,647,974</b>	<b>28,621,569</b>	<b>28,662,988</b>	<b>341,880,820</b>
<b>Total Cash Expense</b>	<b>\$</b>	<b>26,912,458</b>	<b>28,028,841</b>	<b>26,646,885</b>	<b>29,098,902</b>	<b>26,466,062</b>	<b>29,763,502</b>	<b>29,652,222</b>	<b>29,721,902</b>	<b>29,657,516</b>	<b>28,647,974</b>	<b>28,621,569</b>	<b>28,662,988</b>	<b>341,880,820</b>
<b>Total Operating Expense</b>	<b>\$</b>	<b>26,912,458</b>	<b>28,028,841</b>	<b>26,646,885</b>	<b>29,098,902</b>	<b>26,466,062</b>	<b>29,763,502</b>	<b>29,652,222</b>	<b>29,721,902</b>	<b>29,657,516</b>	<b>28,647,974</b>	<b>28,621,569</b>	<b>28,662,988</b>	<b>341,880,820</b>

- Year to date actuals are imported to produce a forecast for the current year then month by month plan for 2, 3, 4 or more years.
- Quarterly or even monthly re-forecasting can be performed.
- Forecast summaries can be produced for each responsibility or by cost centre or by expense. Alternate account nomenclature can be accommodated.

# and in detail

## Forecast and Plan

ABC Onsite Summary  
Qtr 3 Forecast Demonstration  
Custodian:

Jan 2009 Actual	Feb 2009 Actual	Mar 2009 Actual	Apr 2009 Actual	May 2009 Actual	Jun 2009 Actual	Jul 2009 Actual	Aug 2009 Actual	Sep 2009 Actual	Oct 2009 Plan	Nov 2009 Plan	Dec 2009 Plan	2009
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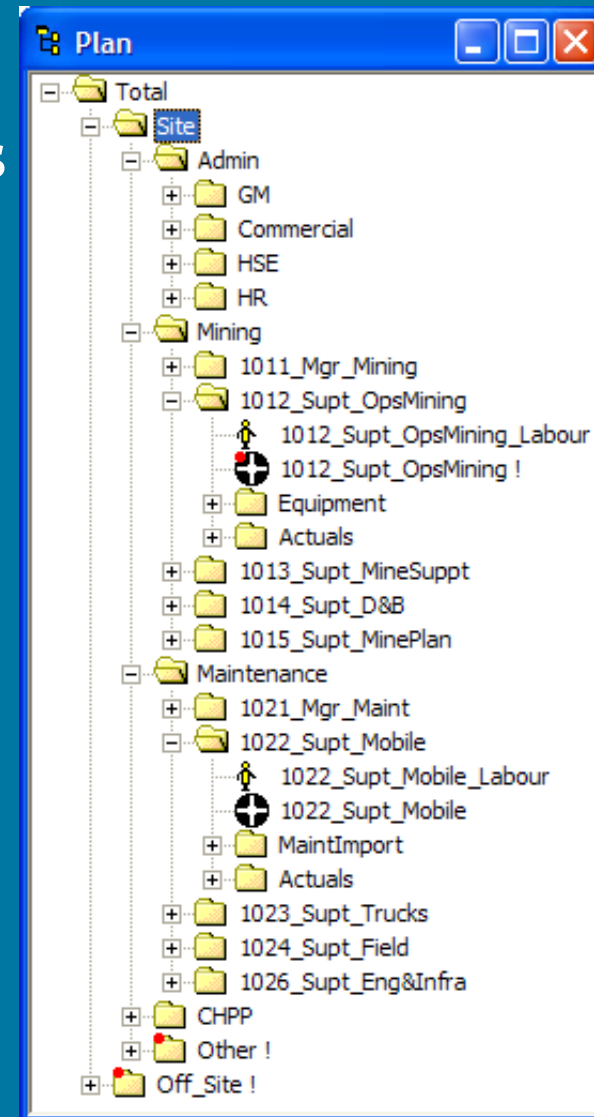
## Expenses

### Expense

Expenses	Jan 2009 Actual	Feb 2009 Actual	Mar 2009 Actual	Apr 2009 Actual	May 2009 Actual	Jun 2009 Actual	Jul 2009 Actual	Aug 2009 Actual	Sep 2009 Actual	Oct 2009 Plan	Nov 2009 Plan	Dec 2009 Plan	2009
Salaries	3,229,430	3,492,573	3,891,868	3,858,626	3,349,139	3,847,099	5,030,697	4,132,312	4,674,980	3,995,434	3,881,119	3,995,434	47,378,710
Salaries - Overtime	93,087	89,379	81,655	98,053	99,361	88,116	101,801	96,396	91,786	94,818	91,759	94,818	1,121,027
Salaries - Bonus	76,573	66,421	69,516	71,278	74,826	65,831	70,089	72,303	69,319	68,333	68,333	68,333	841,155
Allowances - Shift	1,132,338	1,046,575	956,510	832,020	1,115,324	893,548	971,361	1,111,159	862,029	908,849	882,822	908,849	11,621,385
Leave - Annual	92,161	80,436	72,917	99,110	85,386	102,592	96,099	106,878	92,614	91,973	89,673	91,973	1,101,813
Leave - Long Service Leave	96,408	97,350	110,150	92,589	96,948	99,014	114,239	109,246	96,746	101,155	98,348	101,155	1,213,347
Leave - Sick	139,094	128,019	127,534	106,880	133,995	125,352	129,702	131,855	112,305	121,386	117,507	121,386	1,495,014
Superannuation/401K Company Cor	506,255	415,323	378,893	345,354	470,948	513,511	536,483	497,800	520,019	468,811	455,494	468,811	5,577,701
Workers Compensation / ACC	279,870	290,433	272,832	320,508	285,531	311,310	322,699	281,904	289,231	293,355	285,038	293,355	3,526,066
Benefits - Motor Vehicle Running Exp	361	441	524	528	271	481	321	504	377	334	334	334	4,810
Benefits - Study Assistance	888	792	450	732	396	534	912	936	840	600	600	600	8,280
Benefits - Subscriptions & Members	825	592	925	1,033	550	1,250	525	850	1,167	833	833	833	10,217
Benefits - Meals Entertainment	6,150	5,364	4,487	4,744	4,312	4,328	5,259	4,543	4,435	4,426	4,426	4,426	56,900
Benefits - In-house Meals	5,917	8,383	5,550	4,958	7,700	7,775	4,408	5,383	4,725	5,833	5,833	5,833	72,300
Benefits - Service Grants, Gifts & Aw	14,519	9,962	11,529	14,618	9,118	14,236	14,024	13,394	15,299	11,083	11,083	11,083	149,947
Benefits - Other	2,915	4,579	4,191	3,955	5,555	5,025	3,048	2,725	2,471	3,670	3,670	3,670	45,474
Recruitment - Advertisements & Age	3,140	2,820	2,440	2,920	2,580	1,020	1,540	2,080	3,080	2,000	2,000	2,000	27,620
Recruitment - Travel and Incidentale	3,445	2,773	3,447	3,655	3,087	2,547	2,212	3,657	3,692	2,833	2,833	2,833	37,013
Recruitment - General Expenses	1,060	1,600	2,260	2,700	1,280	2,840	2,500	2,100	2,040	2,000	2,000	2,000	24,380
Payroll Tax - Local	333,473	340,671	321,967	375,166	349,561	316,727	390,463	445,489	341,678	351,046	341,103	351,046	4,258,390
Fringe Benefit Tax	630	599	617	422	488	289	582	568	360	444	444	444	5,887
Explosives & Supplies	33,635	42,178	76,881	67,805	60,864	53,390	46,983	39,508	60,330	53,389	53,389	53,389	641,742
Ammonium Nitrate	451,233	679,706	885,331	536,910	628,299	833,925	816,789	702,553	622,588	571,181	571,181	571,181	7,870,878
High Energy Factor Explosives	245,460	297,346	193,574	235,482	247,455	309,319	193,574	245,460	143,684	199,561	199,561	199,561	2,710,037
Drilling Accessories, Bits & Rods	78,695	60,485	75,444	41,624	39,023	66,338	59,835	76,744	68,289	65,038	65,038	65,038	761,589
Floation Chemicals	362,542	391,417	295,167	259,875	413,875	513,333	372,167	394,625	439,542	320,833	320,833	320,833	4,405,042
Flocculants	3,722	10,138	8,727	10,203	4,556	6,802	5,262	7,443	4,813	6,417	6,417	6,417	80,914
Tyres & Tubes	174,691	123,395	245,168	222,968	193,818	187,714	195,109	180,762	211,853	641,543	641,543	641,543	3,660,108
Diesel	7,067,468	7,394,114	5,447,265	8,443,795	6,113,616	7,088,255	6,014,646	6,863,695	6,983,051	6,830,805	6,830,805	6,830,805	81,908,320
Lubricants	27,986	25,422	26,997	20,274	28,867	17,241	21,840	25,932	29,895	24,359	24,359	24,359	297,531
Safety, First Aid & Medical Supplies	32,104	50,865	49,128	33,027	49,605	37,707	44,638	32,966	48,674	39,112	39,112	39,112	496,049
Tools & Accessories	12,699	11,435	9,590	9,900	10,511	8,903	11,476	9,278	12,146	10,814	10,814	10,814	128,377
Ground Engaging Tools	247,459	220,256	192,995	240,045	200,293	269,160	220,978	188,884	212,562	216,372	216,372	216,372	2,641,749
Mineral sampling consumables	227,270	227,722	233,637	250,527	275,462	241,780	240,944	242,275	238,661	235,522	238,557	241,300	2,893,657
Other Consumables	295,534	289,966	282,765	279,522	275,173	399,339	359,405	438,496	333,086	370,382	394,717	394,101	4,112,487
Power	611,414	653,303	649,281	581,870	562,961	594,349	634,249	614,796	625,676	347,536	370,290	373,800	6,619,524
Water	234,094	250,851	251,238	281,064	227,147	226,856	236,773	231,368	249,519	237,334	261,907	229,867	2,918,018
Bearings & Power Transmission	257,189	267,290	282,939	269,004	239,077	259,837	217,914	221,537	239,281	248,211	234,971	242,903	2,980,151

# Easier to use because.....

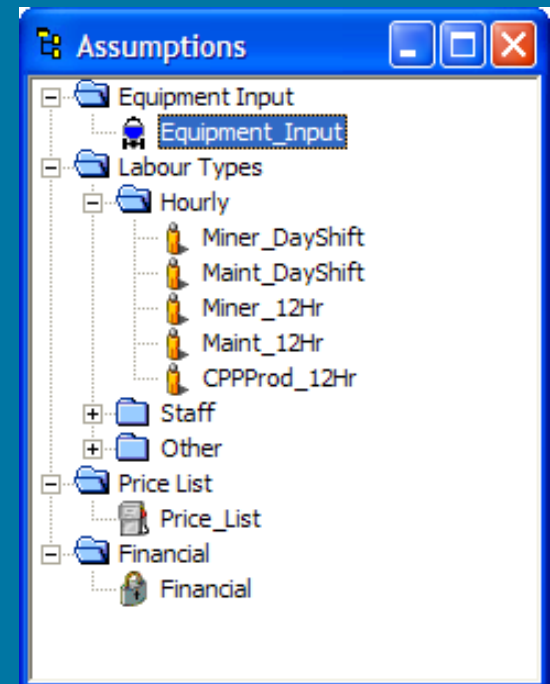
- A new unique layout significantly simplifies model navigation and visualisation.
- It is very easy to locate and differentiate between budget input sheets and other calculated or imported data.
- You can easily create new budget input sheets in one simple step.
- Tutorial style documentation is available at the click of a button.
- Calculation time is much faster so results can be more easily checked and refined.



# Assumptions are transparent

The main assumptions are concise, easy to locate and modify or link to a corporate standards Excel workbook. These include:

- Equipment operational costs and consumption rates
- Labour costing by type classification
- Consumables price list
- Inflation rates / financial parameters



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\_\_\_\_\_**Analytics**



# Production Schedule

The Schedule sheet imports the mine plan from Excel. Mine plan data can be linked to any budget input to create calculation logic to ensure your budget reflects the operational dynamics of your plan.

Jan 2009 Actual	Feb 2009 Actual	Mar 2009 Actual	Apr 2009 Actual	May 2009 Actual	Jun 2009 Actual	Jul 2009 Actual	Aug 2009 Actual	Sep 2009 Actual	Oct 2009 Plan	Nov 2009 Plan	Dec 2009 Plan	2009
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## MINING Schedule - RA

### Waste Prime

Topsoil	bcm	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
Dragline	bcm	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	1,582,609	18,991,304
Dozer	bcm													
Electric Shovel	bcm	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	1,424,348	17,092,174
Hyd Excavator	bcm	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	1,709,217	20,510,609
FEL	bcm	854,609	854,609	854,609	854,609	854,609	854,609	854,609	854,609	854,609	854,609	854,609	854,609	10,255,304
Contractor	bcm	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	3,000,000
<b>Total Prime Waste</b>	<b>bcm</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>5,858,283</b>	<b>70,299,391</b>
Prime Strip Ratio	bcm/t	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	5.45	65.39

# Some other unique\* features

- Budget input sheets can be responsibility based, that is, allowing a number of cost centres, or for a single nominated cost centre. This improves clarity by encouraging a logical grouping of inputs.
- When assigning budget inputs, the user can only “see” and assign cost centres owned by the responsibility or nominated exceptions. This reduces input errors and time.
- Extensive auditing is performed and issues identified to ensure problems are located and addressed quickly.
- Separation of standard reporting and ad hoc reports .
- Extensive tutorial based documentation embedded in the model and available via tool bar buttons.
- Much faster to calculate as the models are less complex.

*Rogers Analytics have an proven reputation for quality and exceptional service standards.*

*\* When compared with other similar budgeting applications*

**Rogers \_\_\_\_\_  
\_\_\_\_ Analytics**

# Exporting Budget Results

- Export of budget costs by cost account for upload to accounts system via a standard or a custom file format.
- Export can include consumables and production statistics.
- Export reporting in a formatted Excel workbook with filters allowing detailed and summary results on a responsibility, cost centre or expense basis.  
*See an example on the next page.*



# In summary

- A straight forward budgeting system, easy to navigate, review results and audit;
- Import of Actuals by month for Forecasting;
- Labour cost modelling customised to meet site costing logic;
- Importing of a mining schedule/s for scenario costing;
- Calculation of mining equipment operational costs (fuel, GET, drill bits etc) by unit rates linked to scheduled hours;
- Calculation of explosives, CPP chemicals and other consumables statistics and costs linked to physicals;
- Any budgeted line item can be a simple input or calculated by linking to a schedule quantity, equipment utilisation or a labour number;

*more....*

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\_\_\_\_\_**Analytics**

# In summary, more

- Consumable prices can be in a foreign currency, E.G Tyres;
- Import of maintenance budgets for a consolidated result;
- Standard set of reports for summary, detail and auditing;
- Export a full set of cost and statistical results by account for upload to and ERP / Accounting system;
- Calculates very fast so changes or sensitivities can be evaluated quickly; and
- Tutorial style documentation for performing budgeting tasks is included.

For more information please contact:

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