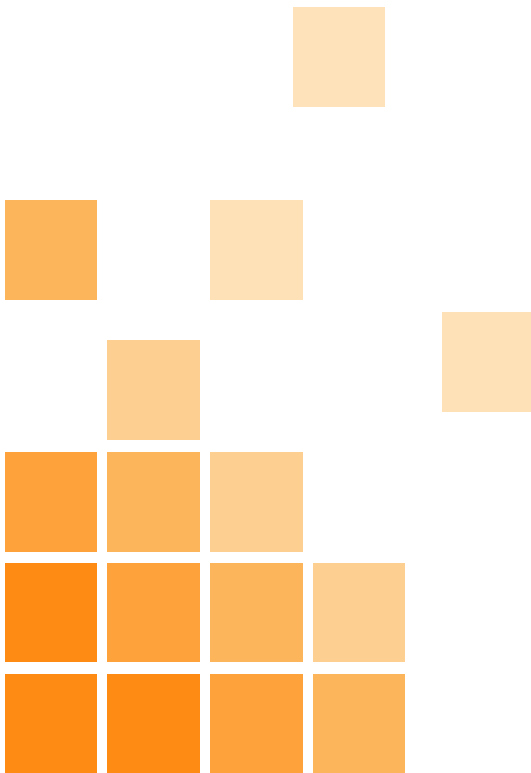


Numeritas - SCILS

Our core best practice principles



Modelling “SCILS”

Separation

Consistency

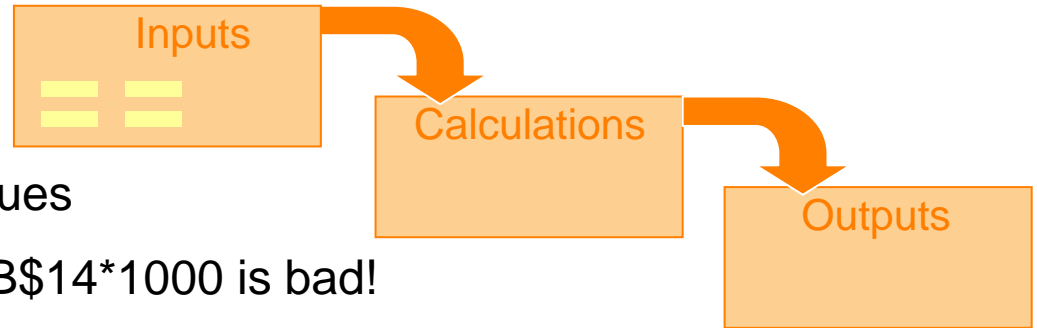
Integrity

Linearity

Simplicity

Modelling “SCILS”: Separation

- Separate inputs, calculations and outputs



- Separate formulae from input values

- Don't mix in a single cell eg =B\$14*1000 is bad!

- Achieve separation via

- Using sheets, placing inputs, calculations and outputs on separate sheets, or
- Clear layout and model structures with input sections clearly identified and distinct from calculations and outputs, and
- Colour code input cells (and possibly other types of cells) to identify the nature and possibly function of the cell.

Modelling “SCILS”: Consistency

- Keep formulae the same across an entire row

A	B	C	D	E	F
			2006	2007	2008

Input

- Maintains logical integrity of model if inputs change
- Aids maintenance and modification
- Aids review

A	B	C	D	E	F
			2006	2007	2008

Calc

A	B	C	D	E	F
			2006	2007	2008

Out

- Keep the same time period in the same column on all sheets
- Keep items that appear more than once in the same order

Modelling “SCILS”: Integrity

- Build in a balance sheet
- Don't use 'fudge factors'
- Reconcile actual cash payments/receipts to movements in balance sheet
- Don't make cash a balancing item.
- Rounding should not be a solution to balancing your balance sheet.

	Net Assets	324	422	531
	Total Equity	324	422	531
Checksum <input checked="" type="checkbox"/>	Difference	0	0	0

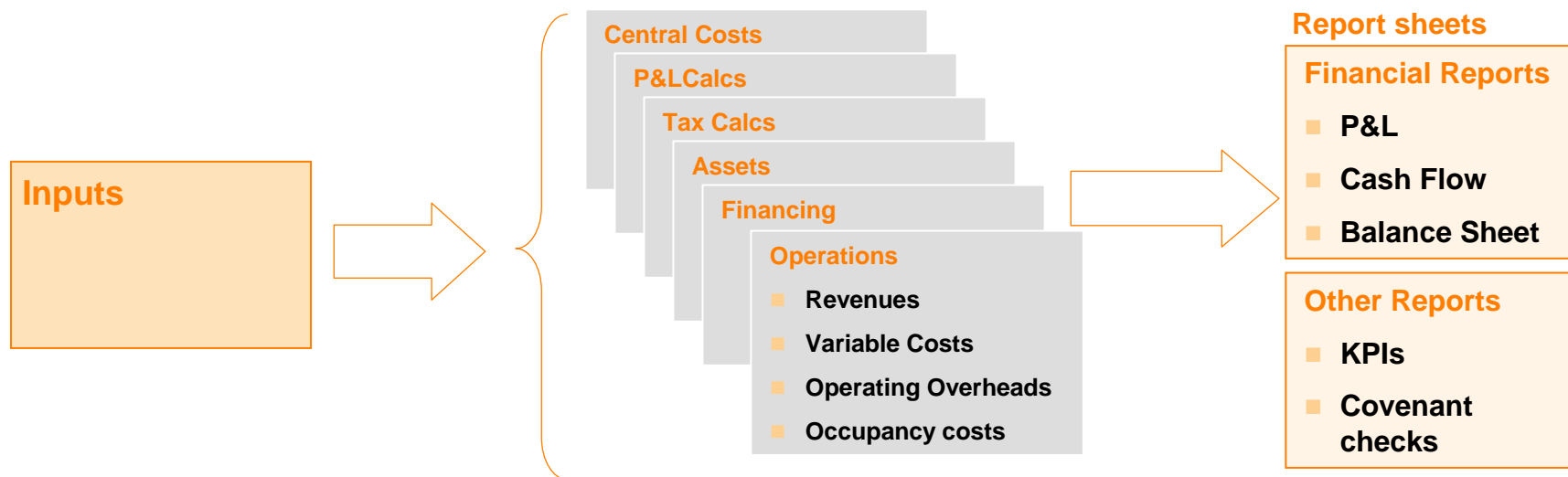
Modelling “SCILS”: Linearity

	A	B	C
1	=A3		
2	2		
3	=SUM(A1:A3)		

	A	B	C
1			
2			
3			

- No circular references
- Logical flow from top to bottom, left to right, front to back
- Do not turn on iteration

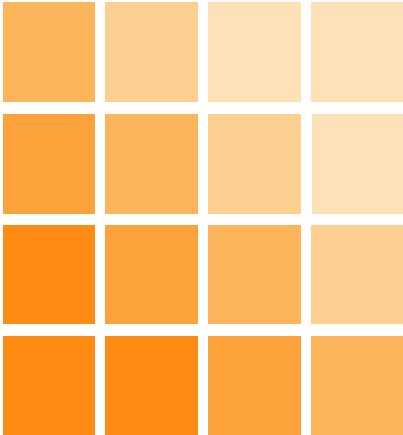
Modelling “SCILS”: **S**implicity



- Break calculations into “modules” that can be individually checked
- Gather ‘feeders’ for the calculations together to aid understanding
- Keep formulae short – rows are cheap!
- Layout calculations so they can be understood by reading printout

numeritas

clarity ■ precision ■ insight



numeritas

clarity ■ precision ■ insight

