



Deloitte budgeting, planning and forecasting accelerator for mining using Workday Adaptive Planning

Helping make integrated planning possible and practical for mining organizations.

When it comes to planning, the mining sector has distinct challenges. The planning process, and the data that drives it, is often fragmented across sites, functions and time horizons. People with diverse skill sets, such as process engineers, mine managers, and plant supervisors, are often involved in assembling the plan, and many of them have had little exposure to finance. With so many perspectives and no single

source of truth to unite them, it can take anywhere from three to six months to develop a plan. This is often too little, too late. By then, the shorter-term recommendations may no longer align with the business strategy, support the life-of-mine plan, or reflect production and market realities. If ad hoc changes need to be made, it's back to the drawing board, and the planning cycle starts all over again. ➤

Efficiency, agility and integrity

The value proposition of the PBF Mining accelerator for Workday Adaptive Planning is rooted in:

Efficiency

Speeding deployment and streamlining planning, budgeting and forecasting processes through pre-built functionality, integrated automation, and embedded leading practices.

Agility

Enhancing planning flexibility through scenario modeling, interactive dashboards and self-service capabilities.

Integrity

Improving information quality across the organization by integrating disparate data sources and reducing spreadsheet use.



Understanding this complexity, Deloitte has created a pre-configured mining accelerator, developed within the Workday Adaptive Planning suite, that tackles the distinct planning, budgeting and forecasting (PBF) challenges faced by mining companies. The solution helps make it possible for mining leaders to gain the insights needed to improve performance, produce internal and external reports in minutes, and plan their entire business—all within Workday Adaptive Business Planning Cloud.

Driver-based planning and more

Many PBF tools are not equipped to address the intricacies of the mining sector, such as the need for activity-based costing, the importance of production-driven planning, and the impact of changing commodity prices on the business. Through pre-configured examples and embedded leading practices, the Deloitte PBF Mining Accelerator helps to enable integrated planning throughout the entire organization by taking all of these factors into account. With broad capabilities and an intuitive interface, it allows users to run what-if scenarios and perform driver-based planning across revenue, mine and processing plant, CAPEX, service and maintenance, bills of materials, income statement, balance sheet, cash flow, workforce, and compensation. And, because every mining operation is different, the accelerator has been built to accommodate multiple mining methods, including open pit,

deep cave, underground and incline operations.

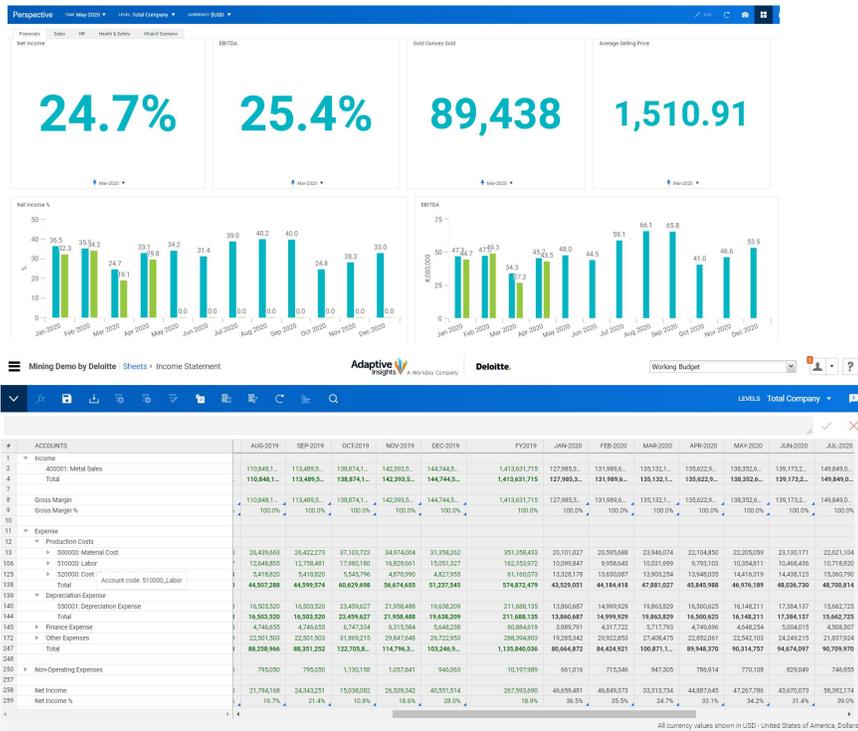
The solution can be delivered as a complete managed service offering or used as an accelerator for deploying Workday Adaptive Planning within a mining organization. Through its mining-specific features and functionality, the accelerator can help enable finance leaders to:

- Perform budgeting and forecasting over various time horizons, such as monthly, quarterly, and annually.
- Produce 18-month rolling forecasts and life-of-mine plans.
- Access a single source of truth by storing and standardizing both financial and non-financial data from multiple source systems.
- Implement driver-based planning based on the latest production plan, which flows directly into the Workday Adaptive Planning.
- Understand the drivers and components behind the numbers
- Compare actuals versus budget across periods and instantly visualize variances.
- Use activity-based costing across mining, processing and smelting operations.
- Create reports and dashboards for data analysis.
- Analyze performance, comparing forecasts against actuals across a variety of financial and non-financial metrics.

Budget management

Accounts	Jan-2020	Feb-2020	Mar-2020	Q1-FY20	Apr-2020	May-2020	Jun-2020	Q2-FY20	Jul-2020	Aug-2020	Sep-2020	Q3-FY20	Oct-2020	Nov-2020	Dec-2020	Q4-FY20	FY2020
Income																	
400001: Metal Sales	127,985,388	131,989,640	135,132,162	395,107,189	135,622,929	138,362,860	138,173,219	413,148,738	148,849,099	162,634,188	162,793,861	475,276,949	160,922,210	160,795,676	159,273,179	480,990,964	1,784,023,880
Total Income	127,985,388	131,989,640	135,132,162	395,107,189	135,622,929	138,362,860	138,173,219	413,148,738	148,849,099	162,634,188	162,793,861	475,276,949	160,922,210	160,795,676	159,273,179	480,990,964	1,784,023,880
Expense																	
Production Costs	42,377,891	43,068,717	46,643,775	132,090,383	44,458,120	45,037,638	46,547,017	136,042,673	47,151,653	50,297,791	50,846,055	147,995,499	55,162,268	53,212,977	50,854,610	180,229,858	575,858,410
Depreciation Expense	13,860,687	14,999,929	19,863,829	48,724,446	16,900,625	16,148,211	17,384,137	60,032,973	15,662,725	16,619,040	16,619,040	48,900,819	23,623,845	22,112,198	19,775,676	65,911,719	213,169,952
Finance Expense	3,989,791	4,317,722	5,717,793	14,025,306	4,749,696	4,648,284	5,004,015	14,401,965	4,508,507	4,783,783	4,793,783	14,076,074	6,800,111	6,364,984	5,692,418	18,867,513	61,360,897
Other Expenses	19,288,342	20,922,853	27,408,475	67,616,669	22,852,061	22,512,061	24,219,684	69,584,305	21,806,498	23,196,158	23,307,060	68,306,716	32,601,082	30,884,711	27,918,184	80,803,977	296,314,668
Total Expense	78,513,712	83,309,220	99,633,872	262,456,803	88,560,502	88,846,862	93,154,853	270,561,916	89,129,382	94,896,778	95,255,943	279,282,104	118,187,305	112,374,870	103,840,889	334,403,064	1,146,703,888
Non-Operating Expenses																	
600000: Derivatives	661,016	716,346	947,305	2,323,667	786,914	770,108	829,049	2,386,071	746,955	792,562	792,562	2,332,078	1,126,620	1,054,530	943,101	3,124,251	10,166,067
Total Non-Operating Expenses	661,016	716,346	947,305	2,323,667	786,914	770,108	829,049	2,386,071	746,955	792,562	792,562	2,332,078	1,126,620	1,054,530	943,101	3,124,251	10,166,067
Net Income	47,810,641	47,965,074	34,550,985	130,326,700	46,275,513	48,793,951	45,189,317	140,200,811	59,972,762	68,944,849	68,745,156	193,662,767	41,608,284	47,366,176	54,489,189	143,483,449	607,653,927

Reports and dashboards



- Determine the impacts to cash flow and net present value over the life of a mine when conditions change.
- Quickly analyze the effect on the bottom line when commodity prices and other key drivers fluctuate.

Our qualifications

A recognized leader in providing audit, consulting, tax, and risk and financial advisory services to the energy, resources and industrials sector, Deloitte's clients include some of the leading mining and metals companies around the world. Our experienced professionals help mining leaders anticipate challenges, and develop and implement strategies that address regulatory reform, technological complexity, competitive dynamics, and market moves—turning critical and complex business issues into opportunities for growth, resilience, and long-term advantage.

In addition, Deloitte has a leading, global Workday practice, with extensive experience across Workday Financials, Workday HCM, and Workday Adaptive Planning.

The alliance between Deloitte and Workday Adaptive Planning combines the strengths of both organizations to help companies address their business-planning and management-reporting challenges. More specifically, our approach offers mining clients a modern, automated PBF platform, coupled with improved modeling and reporting practices. With it, the budgeting process can be condensed from several months to a few weeks, and the organization can focus more on planning and analysis, instead of data collection.

By uniting the depth and breadth of Workday's Business Planning Cloud technology with Deloitte's collaborative approach, scenario models, and deep finance knowledge, the solution helps enable mining leaders to save time, generate insights, and gain self-service agility.

Contact us

The need for efficiency and adaptability in the mining sector is intensifying. In a world of volatile commodity prices, deeper mines, more complex ore bodies, escalating costs, and rising social and geopolitical

risks, mining leaders cannot afford to spend months developing a static plan and then wait and see how a multitude of variables will impact the business. With the Deloitte PBF Mining Accelerator using Workday Adaptive Planning, you no longer have to “wait and see.” By inputting a few drivers, you can model future possibilities and adjust the plan accordingly.

The Deloitte difference

Deloitte staffs its engagement teams with finance-transformation specialists from our mining & metals practice as well as IT practitioners. When you engage Deloitte, industry-savvy professionals, who understand the distinct planning requirements of a mining operation, implement Workday Adaptive Planning. This often condenses the implementation timeline because the same people who define the requirements are the same ones who deploy the tool. It also aids in transferring ownership to the finance function after the engagement is complete. As a testament to the effectiveness of this approach, Workday recognized Deloitte in its FY20 Workday Adaptive Planning partner awards as Global Systems Integrator of the Year overall and Global Systems Integrator of the Year in the Asia-Pacific-Japan (APJ) region.

Contact

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