

From Uncertainty to **Insight**: A Dynamic Approach to Investment **E**valuation

The Methodology Behind the Investment
Proposal Evaluation Dashboard

Moving Beyond Static Forecasts.

Investment proposals often rely on single-point, deterministic forecasts. These static projections are brittle; they mask the true range of potential outcomes and fail to adequately quantify risk, leaving decision-makers without a full picture.

Our methodology transforms this process. By embracing uncertainty through simulation, we provide a dynamic, transparent, and robust framework for evaluating investments.



Transparency

A clear, auditable process from input to insight.



Clarity

Quantifies the full spectrum of potential returns and risks.



Confidence

Empowers more informed and defensible capital allocation decisions.

Our Four-Stage Process: From Raw Data to Decisive Insight.



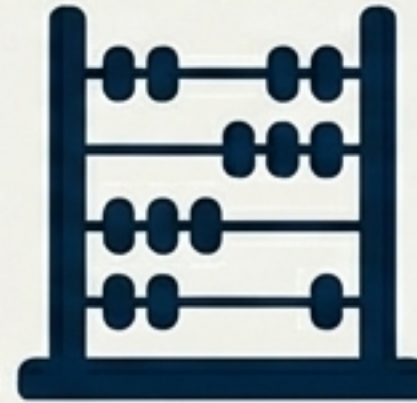
1. Discover

We gather the fundamental assumptions and data points.



2. Design

We model thousands of potential scenarios based on those inputs.



3. Deploy

We calculate key performance metrics for every possible outcome.



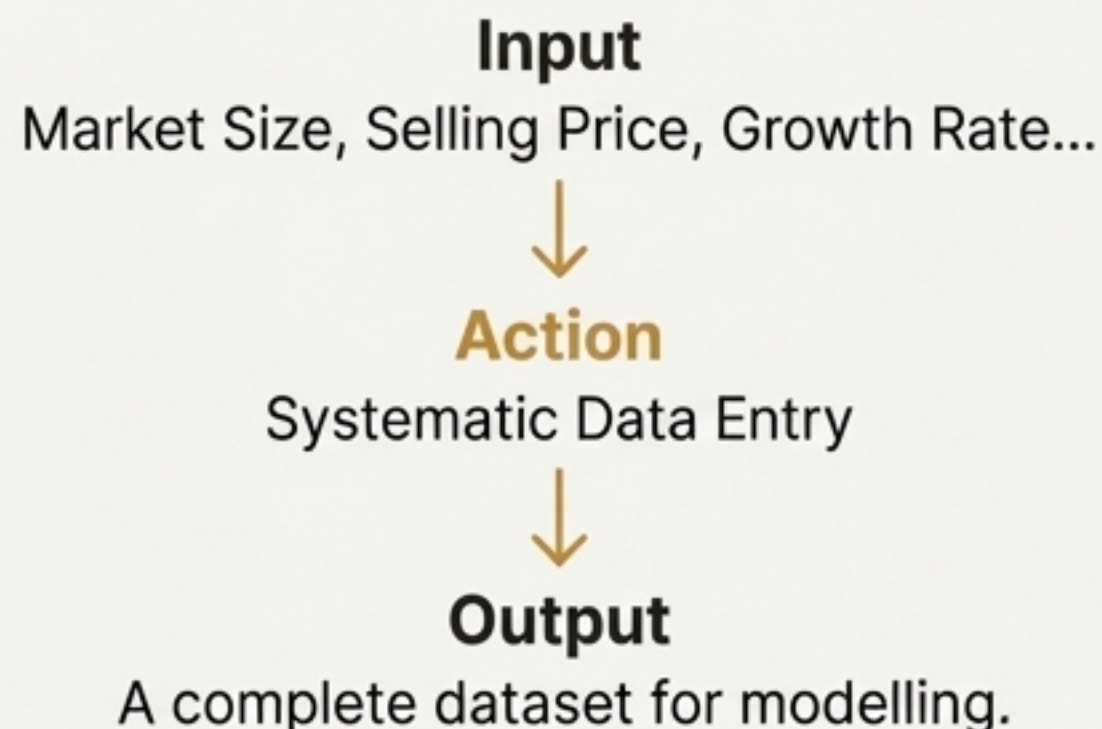
4. Drive

We visualise the results to enable clear and decisive action.



1. Discover: Building the Foundation with Comprehensive Data

Every robust evaluation begins with a complete and clearly defined set of inputs. This stage is dedicated to systematically collecting the core commercial and financial assumptions that will drive the model.



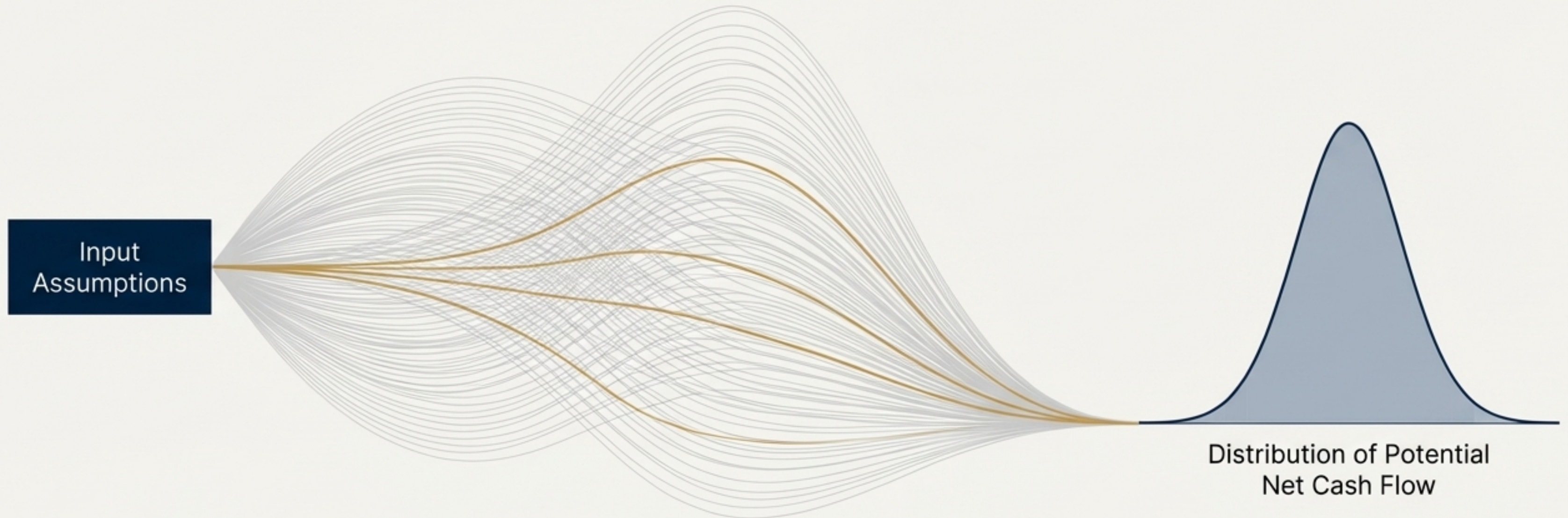
Enter Investment Proposal Data

Factor	Value
Market Size	<input type="text"/>
Selling Price	<input type="text"/>
Market Growth Rate (%)	<input type="text"/>
Market Share (%)	<input type="text"/>
Physical Sales Volume (Units)	<input type="text"/>
Investment Required	<input type="text"/>
Residual Value	<input type="text"/>
Operating Cost per Year	<input type="text"/>
Fixed Cost per Year	<input type="text"/>
Useful Life (Years)	<input type="text"/>



2. Design: Modelling a Universe of Potential Outcomes

Rather than relying on a single forecast, our simulation engine uses the input data to model thousands of possible scenarios for revenue, costs, and cash flow over the asset's entire useful life. This reveals the full probability distribution of outcomes, not just a single, fragile guess.





3. Deploy: Calculating Key Metrics for Every Scenario.

For each of the thousands of simulated cash flow streams, the engine dynamically calculates the essential investment evaluation metrics. This ensures that our final analysis is not based on a single NPV or ROI , but on a comprehensive understanding of their potential range and likelihood.

Net Present
Value (NPV)

Payback Period

Return on
Investment (ROI)

Underlying Logic

Net Cash Flow = Revenue – Operating Costs – Fixed Costs

The Engine's Core Logic: The Revenue Formula

Transparency is paramount. The model's revenue calculation is a direct, multiplicative function of the core market and commercial assumptions. The 'Sales Volume Growth' factor is applied iteratively over the asset's life.

$$\text{Revenue} = \text{Market Size} \times \text{Market Share} \times \text{Selling Price} \times \text{Sales Volume Growth}$$

Market Size:
Total addressable
market value.

Market Share:
The percentage of the
market captured.

Selling Price:
The unit price.

Sales Volume Growth:
The annual growth factor
for unit sales.



4. Drive: Visualising Results to Guide Decision-Making.

The final stage translates complex simulation outputs into an intuitive dashboard. Summary metrics, tables, and charts are presented to provide a clear, at-a-glance understanding of the investment's potential, facilitating a more strategic and data-driven discussion.



Summary KPI Cards



Cash Flow Trajectory
(Line Chart)



Revenue vs. Costs
Analysis (Chart)



Detailed Data Tables

The Dashboard in Action: An Integrated View of Performance

Median NPV

£4.2M

Net Present Value

Median ROI

185%

Return on Investment

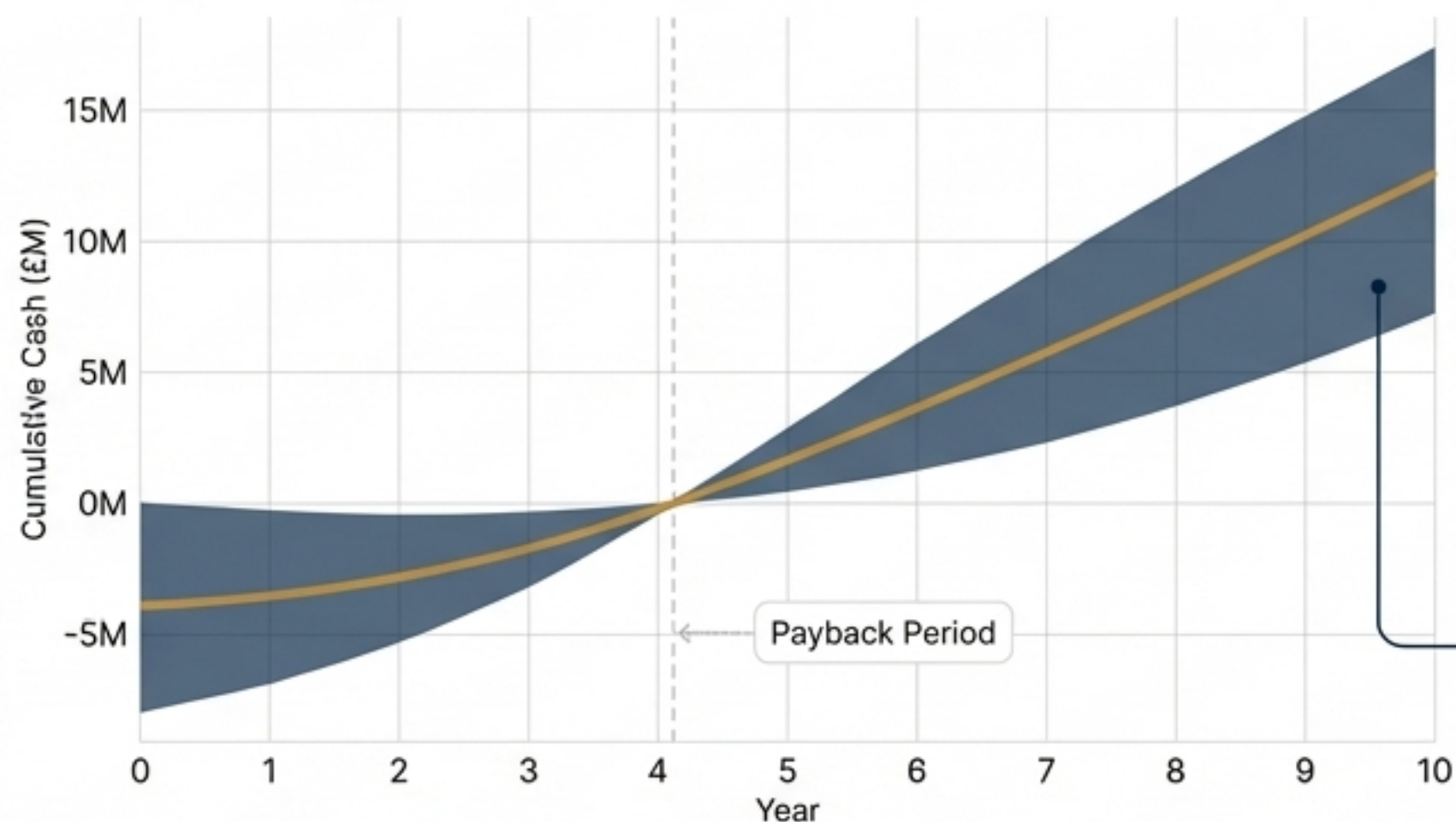
Payback Period

4.1 Years

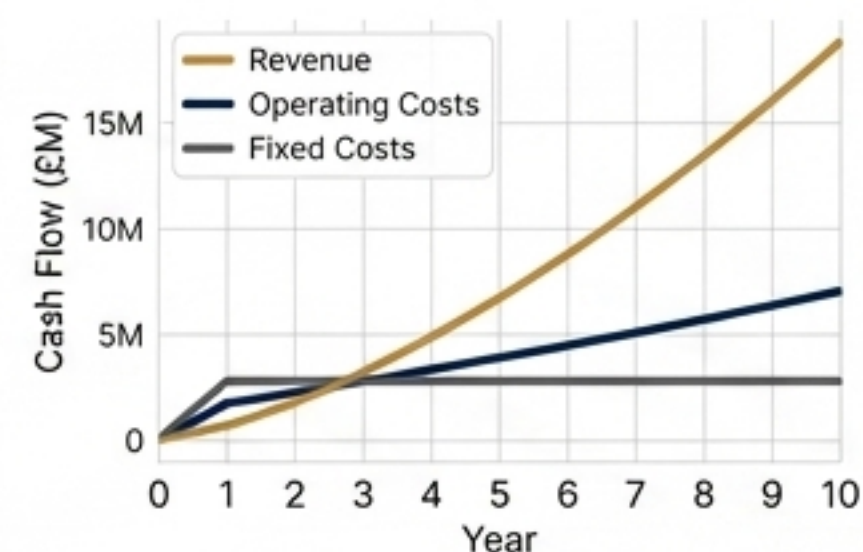
Time to Recoup Investment

Instantly see the central expectation for value creation.

Cumulative Net Cash Flow Over Life



Revenue vs Costs



Understand the full range of risk and upside at a glance.

The Data Behind the Visuals: A Look at the Simulation Results

Every chart and summary metric is derived from a detailed, year-by-year cash flow simulation. The table below shows an illustrative sample of this output for a single simulated scenario.

Simulation Results: Illustrative Scenario					
Year	Revenue	Operating Cost	Fixed Cost	Net Cash Flow	Cumulative Cash Flow
0	£0	£0	£0	-£5,000,000	-£5,000,000
1	£2,500,000	£800,000	£500,000	£1,200,000	-£3,800,000
2	£2,800,000	£850,000	£500,000	£1,450,000	-£2,350,000
3	£3,100,000	£900,000	£500,000	£1,700,000	-£650,000
4	£3,500,000	£950,000	£500,000	£2,050,000	£1,400,000
5	£3,800,000	£1,000,000	£500,000	£2,300,000	£3,700,000
6	£4,100,000	£1,050,000	£500,000	£2,550,000	£6,250,000

The year-on-year calculation of Net and Cumulative Cash Flow provides the raw data for charting the payback period and NPV.

The Result: A More Confident Approach to Capital Allocation

By systematically transforming a set of core assumptions into a comprehensive risk and return profile, this methodology provides the clarity needed to make better investment decisions.

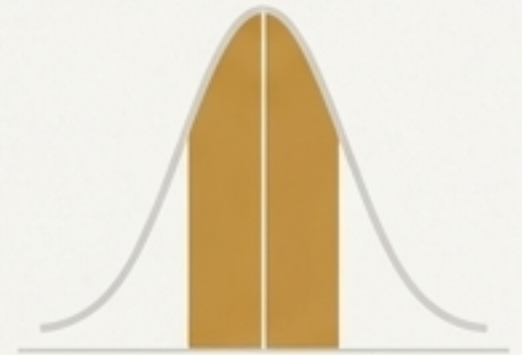
From Single Point to Full Spectrum

Moves beyond a single, fragile forecast to a probabilistic understanding of what could happen.



Quantifies Risk and Uncertainty

Makes the range of potential outcomes visible and measurable, rather than a hidden assumption.



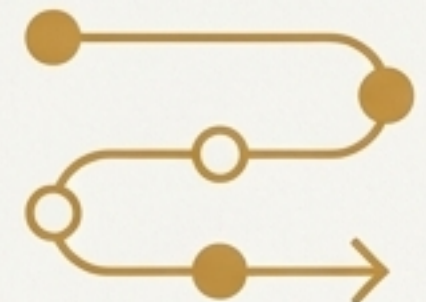
Enhances Scrutiny and Debate

Provides a common, data-rich framework for teams to analyse and debate the merits of a proposal.



Creates a Transparent, Auditable Trail

Every output can be traced directly back to the initial inputs and the documented methodology.



**Empowering Every Decision with a
Clear View of Potential Futures.**

