

# PROFIT PLAN CAPITAL EQUIPMENT EVALUATION COST JUSTIFICATION GUIDE

## CASH FLOW ANALYSIS:

### Future Estimated Business Justifications:

- 1). Reduce / Eliminate Overtime: \$ \_\_\_\_\_
  - 2). Reduce / Eliminate; Outsourcing, Sub-Contractor, Farm Out  
\$ \_\_\_\_\_ x 40% = \$ \_\_\_\_\_
  - 3). Reduce / Eliminate Maintenance/ Parts Monthly \$ \_\_\_\_\_
  - 4). Reduce / Eliminate Labor / Operators \$ \_\_\_\_\_
  - 5). Future Energy Savings \$ \_\_\_\_\_
  - 6). Replacement debt / debt retiring \$ \_\_\_\_\_
  - 7). New Business either:  
New Contract x 40% = \$ \_\_\_\_\_  
Promised, current going elsewhere: x 50% \_\_\_\_\_ X 40% \_\_\_\_\_ \$ \_\_\_\_\_
  - 8) Material ingredients/Scrap/Waste Savings \$ \_\_\_\_\_
- Total Future Estimated Monthly Cash Flow Available :** = \$ \_\_\_\_\_

### Financial Historical Justifications :

- 9) Previous Year Net Income (+) or Loss (-) \$ \_\_\_\_\_
  - 10) Add Back Depreciation + \$ \_\_\_\_\_
  - 11) Subtract Current Portion Of Long Term Debt - \$ \_\_\_\_\_
  - 12) Net Historical Financial Justification = \$ \_\_\_\_\_
- Total Future Estimated Cash Flow and Historical Cash Flow:** \$ \_\_\_\_\_