

Cash Flow Analysis Example

1.	Cost of Property – 100% Leveraged		\$280,000
2.	<u>Cash Inflow</u>		
	Rent \$180 x 50 weeks		\$9,000
3.	<u>Cash Outflow</u>		
	Loan Repayments – Interest Portion	\$18,812	
	Insurance	\$ 500	
	Rates	\$ -	
	Body Corporate	\$ -	
	Agents Commission	\$ 1,000	
	Maintenance	\$ 1,200	
	Borrowing Costs	\$ 400	
	Travel	\$ -	
	Other	\$ 500	
	Total Outflow		(A)\$22,412
	Net Cash Surplus		(B)\$ - 13,412
4.	<u>Non Cash Deductions</u>		
	Depreciation – chattels	\$1,300	
	Building depreciation	\$3,000	
	Total Non Cash Deductions		\$4,300
	Total Tax Deductions		(C)\$26,712
	Reduction in Taxable Income	(2) – (4C)	\$ 17,712

Using 1st July 06 rates tax at marginal rate (15%, 30%, 40%, 45%)

	45% rate	40% rate	30% rate
refunded	\$7,970.40	\$7,084.80	\$5,313.60

Cash Flow Position

Net Cash Deficit / Surplus	\$13,412	\$13,412	
\$13,412			
Tax Refunded as calculated	\$7,970.40	\$7,084.80	
\$5,313.60			
Net Contribution by Owner per Annum	\$5,441.60	\$6,327.20	
\$8,098.40			
Net Contribution per Week by Owner	\$104.65	\$121.68	\$155.74