

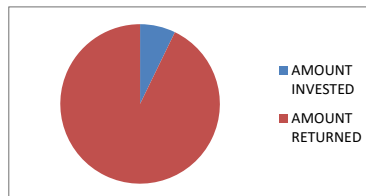
Financial Analysis of System

AMOUNT INVESTED	40000.00
AMOUNT RETURNED	516027.96
FROM	Nov 27 19
TO	Nov 27 24



FUEL MANAGEMENT SYSTEM:

RESULT	
INVESTMENT GAIN R	516027.96
ROI (Rand)	1190.07%
Annualised ROI	66.77%
Investment time (5 year min lifespan)	5.00



INVEST IN THE MANAGEMENT OF ONE OF YOUR LARGEST EXPENSES

Conservative Potential Savings

* conservative in being that this analysis is based on a short lifespan, without accrued money market savings and based on a single vehicle.

N.B examples of negligence, failed recording on paper, incorrect figures, difficulty to read

1. Labour Time Saving, or resource re-allocation

Attendant

Assuming 1 minute spent to record fuel dispensing.
Assuming 25 transactions per day
Assuming 26 working days per month, 8 hour day
Assuming 12 months work per year
Assuming Lifespan of System minimum of 5 years
Assuming minimum salary of R6000pm

Calculation of Time spent recording		
1 x	25 =	25 mins/day
26 x	25 =	650 mins/month
12 x	650 =	7800 mins/year
5 x	7800 =	39000 mins/lifespan

Calculation of wage per min		
6000 Div	26 =	230.77 R/day
230.7692 Div	8 =	28.85 R/hour
28.84615 Div	60 =	0.48 R/min

Calculation of potential Saving		
39000 x	0.48 =	18750 R/lifespan

Time Saving Benefits Associated.

Providing monthly summaries that can be exported to accounting software in Microsoft Excel or csv file format saving data input time
elimination of human error/dyxlaxia during digital capturing and on site recording

Associated saving on potentially costly accounting and collation software.

2. Paper and Ink

Calculation of number of A4 sheets used
Assuming as per current circumstances, 3 transactions per A4 sheet
Assuming 25 transactions per day for 26 days of the month
Assuming cost of 500 paper Bond, SAPPI being R50

25 Div	3 =	9 sheets/day roundup
9 x	26 =	234 sheets/month
234 x	12 =	2808 sheets/year
2808 x	5 =	14040 sheets/lifespan

Calculation of cost of paper		
14040 Div	500	28.08 reams
28.08 @	50	1404 R

N.B Average cost to print A4, 50% coverage black toner @ R0.59/sheet
14040 x 0.59 8283.6 R

Total Paper Saving 9687.6 R

3. Fuel

Assuming improved management time allocation with improved focus, and control of resource allocation
Identification of problem areas with troublesome fuel efficiencies
Combined preemptive mechanical alerts associated with poor fuel efficiencies
Error correction and potential theft flagging

Accounts clerk/Data input

Assuming 1 minute spent to data input fuel record.
Assuming 25 transactions per day
Assuming 26 working days per month, 8 hour day
Assuming 12 months work per year
Assuming Lifespan of System minimum of 5 years
Assuming minimum salary of R12000pm

Calculation of Time spent recording		
1 x	25 =	25 mins/day
26 x	25 =	650 mins/month
12 x	650 =	7800 mins/year
5 x	7800 =	39000 mins/lifespan

Calculation of wage per min		
12000 Div	26 =	461.54 R/day
461.5385 Div	8 =	57.69 R/hour
57.69231 Div	60 =	0.96 R/min

Calculation of potential Saving		
39000 x	0.96 =	37500 R/lifespan



Identification of bad driving habits and problematic drivers

Manufacturers stipulated fuel consumption under average load being 2Km/L
 Actual fuel consumption for vehicle under average load being 1.66Km/L
 Average Monthly distance travelled being 5000Km
 Average price of Diesel coastal discounted at time of calculation, being R14.65

Calculation of Distance travelled per year
 Cost of System being R 40000

5000 x 12 = 60000 Km travelled

Calculation of fuel used per year, ACTUAL
 60000 Div 1.66 = 36144.58 Litres

Calculation of Expected fuel used per year
 60000 Div 2 = 30000 Litres

Difference in Fuel, (Actual less Expected fuel used) L
 36144.58 minus 30000 = 6144.58 Litres

Potential monetary saving per vehicle per year
 6144.58 x 14.65 = 90018.07 R/year

potential monetary saving per vehicle per lifespan of system
 90018.07 x 5 = 450090.4 R

4. Determination of Return on Investment Percentage, [using 1 vehicle](#)

Conservative Lifespan of System being 5 years
 Inflation and future values of cashflows ignored for calculation

$$\begin{aligned}
 \text{ROI} &= \left[\frac{\text{Net Saving for period}}{\text{Cost of Investment}} \right] \times 100 \\
 &= \left[\frac{\text{Savings less cost}}{\text{Cost of Investment}} \right] \times 100 \\
 &= \left[\frac{450090.36 \text{ add } 9687.6 \text{ add } 18750 \text{ add } 37500 \text{ less } 40000}{40000} \right] \times 100 \\
 &= \left[\frac{516027.96 \text{ less } 40000}{40000} \right] \times 100 \\
 &= \left[\frac{476027.96}{40000} \right] \times 100 \\
 &= 1190.07\%
 \end{aligned}$$