



Discounted Cash Flow Model for Small Business

Profit Spear has the expertise to evaluate and analyze all your business and investment decisions with our customized [discounted cash flow models](#). We will provide you with a clear picture of the right path forward that puts your money to best use and brings in profitable returns.

Discounted Cash Flow Model Template

10 Yr Discounted Cash Flow Model showing Returns (NPV/IRR)
on \$750K capital Investment over a 10 yr horizon.

DISCOUNTED CASH FLOW (DCF) MODEL TEMPLATE										
<i>All figures below are fictitious and meant for demonstration purposes only.</i>										
Cash Flow from Operating Activities	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Taxable Income	\$47,275	\$48,688	\$49,948	\$51,027	\$51,890	\$52,500	\$52,814	\$52,786	\$52,362	\$51,483
Add: Depreciation	\$31,950	\$33,098	\$34,302	\$35,567	\$36,896	\$38,291	\$39,755	\$41,293	\$42,908	\$44,603
Add/Subtract: Reserve Accounts										
Add/Subtract: Working Capital	\$9,750	\$11,700	\$14,040	\$16,848	\$20,218	\$24,261	\$29,113	\$34,936	\$41,923	\$50,308
Total CF from Operating Activities	\$88,975	\$93,485	\$98,290	\$103,442	\$109,003	\$115,052	\$121,683	\$129,015	\$137,193	\$146,394
Capital Expenditures/Investment	(\$750,000)									
After Tax Cash Flows	(\$750,000)	\$88,975	\$93,485	\$98,290	\$103,442	\$109,003	\$115,052	\$121,683	\$129,015	\$137,193
Cost of Capital/Discount Rate	5%									
10 Year NPV	\$107,534									
10 Year IRR	7.7%									

Positive NPV indicates that investment is generating ROI that is greater than the cost of capital and creating value for investor.
This Example is generating ROI that is 2.7% greater than the expected Investor threshold.