

Practical information

Quick Scan with LCC-AM/QM

For very limited costs S&G performs a Quick Scan with LCC AM/QM. This illustrates the potential benefits of the LCC-AM/QM for your organization. Please contact us for an introduction and an appropriate business proposal.

LCC-AM/QM software package and implementation

The prices are depending on the size of the organization and the need for preliminary investigations and support for the implementation of the system. Please contact us for an introduction and an appropriate business proposal.

Workshop LCC AM/QM

The implementation and the usage of LCC AM/QM is always supported intensively by S&G, for example in the form of an interactive two-day workshop. Contact us for more information about this course.

Hardware surroundings and system requirements

All Windows versions from Windows 95. Minimum requirements: i486 processor, display resolution 640x480, 32MB RAM. Recommended system requirements: Pentium III processor, display resolution 1024x768, 128 MB RAM.

**LCC-AM/QM:
Fixed Asset
Management and
quantitative
maintenance analyses**

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Cyclic costs ...

Capital intensive companies often take a limited time span to make their cost calculations and calculations of the cost price. However, the most important investments of these organizations have taken place twenty to forty years ago. Most assets have a lifespan of 30 to 40 years and relatively short financial depreciation periods.

This means that the capital costs are at a very low level now, but between 2010 and 2030 a lot of replacement investments are due and the capital costs will increase.

In general, capital investments have a cyclic cost pattern. Because of this fact, it is necessary to obtain insight in the developments during the entire lifecycle of the assets. Often this will lead to a completely different view on cost price and tariffs.

Long term costs and revenues

LCC-AM/QM (Asset Management) gives a clear perception of the future costs and revenues over a long period of time.

Possible calculations: (replacement-)investments; depreciations; book value; interest; costs (maintenance, costs for raw material, operational costs, production losses, overhead and other; funding, production revenues, taxes.

Controlling replacement investments

By comparing the investment levels in the past with the expected investment levels, fairly precise the correct investment level can be predicted.

With the possibilities for stock-taking and cost benefit analyses in LCC-AM/QM the management of capital investment can be controlled in detail. You will know exactly which investments are necessary and which are not.

Regulation

The organizations that are regulated by the government, such as energy and water companies use LCC-AM/QM as a strong tool to deal with the regulator.

With the assistance of LCC-AM/QM can be explained how much money is necessary in the long run, taking the cyclic cost patterns into account.

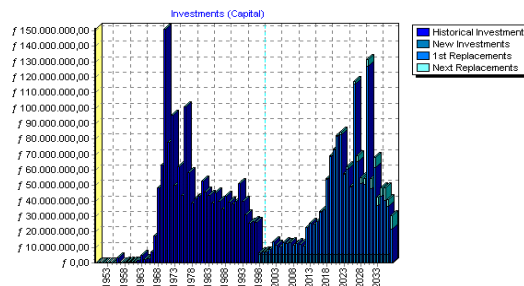
Investment needs

LCC-AM/QM can help you with 'treasury management'. The funding function makes it possible to calculate the need for investment capital. With the loans-function the required foreign capital in the long and short run can be made visible. This can also be compared with the actual investment needs.

Corporation taxes

Insight in future long-term developments of corporation tax can help reducing these taxes.

With LCC-AM/QM, when you use the "carry back and forward" principles you will be capable to work out exactly when there has to be invested and when this is not necessary.



Valuation

The economic value of the assets can be calculated and accounted for. The value is based on the rest lifespan, in- or decreasing variables and the expected revenues and profits.

Quantitative maintenance analyses

With the quantitative maintenance analyses of LCC-AM/QM, based on Life Cycle Costing techniques, now a new dimension in maintenance analyses is available.

To manage maintenance within industrial companies systems have been developed, aimed on reliability and analyses of failure effects. These systems however do not take the fact into account that maintenance requirements change over the life cycle. Also it is hardly possible to determine when exactly it is the best moment to replace components or assets or how many spare parts are needed for the rest of the lifespan.

Hereunder we give a short description of the available QM-analyses.

Maintenance over the lifespan

With this analysis the maintenance costs over of assets, component types and components can be determined. These costs can be grouped in all possible ways. Initial problems and increasing maintenance caused by ageing can be found. Cost causers and non-effective, even contra-productive maintenance can be detected.

Relationship preventive and corrective maintenance

These analyses show the relationship between preventive and corrective maintenance. In an optimal situation failures will decrease after preventive maintenance and then raise again. In that case the optimal preventive maintenance moment can be determined. LCC-QM helps to detects failures, caused by preventive maintenance, so these problems can be solved at the right spot.

*LCC:
Saving a lot of
money by smart
calculations with
assets*

Maintenance in time

"The analysis "Maintenance in time" gives insight in the past and the relationship between total costs and maintenance costs. When you use location of region to group the data, a profound internal benchmark can be performed. The expected maintenance costs can be estimated fairly accurate, using the age of the components and the future costs, based on the costs over the life cycle.

