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Sunk costs
When a manager is considering a particular decision, relevant costs are the costs that are incurred if the decision is made and irrelevant costs are the costs that are incurred whether or not the decision is made. A sunk cost is not a relevant cost for decision making.

Why should you ignore sunk costs?
Why should sunk costs be ignored in future decision making?
A sunk cost is a cost that cannot be recovered or changed and is independent of any future costs a business may incur. Instead, a decision maker should base her strategy on how to proceed with business or investment activities on future costs.

For example, the Sa?d School of Business, Oxford University study of 2014 determined that major Hydro dam projects averaged cost over-runs of 90%. The construction budget for Site C is $9 billion at completion. Presume that present day (October 2017) sunk costs could be $2 billion. If the over-runs is consistant with the study, ignoring the sunk costs suggests that savings of $6.1 billion (90% of $9 billion budgeted minus $2 billion sunk costs) will result from cancelling the project.

Allowing the project to continue will increase the cost over-runs and the sunk costs and reduce the amount of potential savings by the immediate cancellation of Site C.