



NATIONAL OPEN UNIVERSITY OF NIGERIA
Plot 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi - Abuja
FACULTY OF MANAGEMENT SCIENCES
2021_2 EXAMINATION

COURSE CODE: ENT707

COURSE TITLE: PROJECT FINANCE AND BUDGETING

CREDIT UNIT: 3

INSTRUCTION:

1. Indicate your Matriculation Number clearly
2. Attempt questions one (1) and any other THREE (3) questions; four questions in all
3. Question one (1) is compulsory and carries 25 marks, while the other questions carry 15 marks each.
4. Present all your points in a coherent and orderly Manner

TIME ALLOWED: 3 Hours

EXAMINATION QUESTIONS

Compulsory Question

Question 1a: In the practical situation of project analysis, reality replaces the theoretical idealization and the assumptions of the theoretical economic analysis because cost is the bedrock of all key project inputs. Discuss the 4 key principal methods of establishing cost.

Question 1b: Establishing the real cost of inputs will clearly expose the fact that cost does not originate, stand or end in itself. In line with the foregoing, discuss the 3 steps to measuring benefit and cost.

Question 1c: It is a known fact that as projects are in phases so also costs aligning with each project or phases of projects differ. Enumerate the various types of costs and how they connect to the project benefit.

Question 2: Budget is largely a projection of inflow and outflow in any corporate, administrative and/or organized settings. Clearly discuss the term Budget from definition, concept to process and give adequate details on the types of budget.

Question 3: Technology is made up of so many interconnecting frameworks that unavoidably carry a huge cost burden both in individual units and collective framework. Justify the concept of Financing Technology.

Question 4: Projects are not an end in themselves, they observe processes and phases and their end successes through the use of defined tools. Present in precise order all the Project Management Tools.

Question 4b: Certain useful terminologies litter the entire landscape of Project Finance, Explain the PERT technology, giving the full meaning or the acronym PERT and further discuss its usefulness to project financing.

Question 5: Cashflow represents the volume, flow and frequency of cash that crisscross in and out of a business or an organization. Imperatively, cashflow differs from one setting to another and from one stage of projects to another. Discuss in details the following:

1. Operational Cashflow
2. Investment Cashflow
3. Financial Cashflow

* * * WISHING YOU ALL BEST OF LUCK * * *