



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
Plot 91, Cadastral Zone, NnamdiAzikiwe Express Way, Jabi – Abuja  
**FACULTY OF MANAGEMENT SCIENCES**  
**DEPARTMENT OF PUBLIC ADMINISTRATION**  
**2021\_2 EXAMINATION**

**COURSE CODE: PAD 756**

**COURSE TITLE: PROJECT ANALYSIS AND IMPLEMENTATION**

**CREDIT UNITS: 2**

**INSTRUCTION:**

- 1. Indicate your Matriculation Number clearly**
- 2. Answer question one (1) and any other two (2) questions – three questions in all**
- 3. Question one (1) is compulsory and carries 30marks, while the other questions carry 20marks each.**
- 4. Present all your points in coherent and orderly Manner**

**TIME ALLOWED: 2 Hours**

**1a** Explain the terms: Return on Assets Ratio (i) Return on Equity Ratio (ii) Cash Return Ratio.  
14 marks

**(b) State the formula for calculating (i), (ii) and (iii). (6marks)**

**i.** The calculation for the return on assets ratio is:  $\text{Net Income} / \text{Total Assets} = \%$ .

**ii.** The calculation is:  $\text{Net Income} / \text{Stockholder's Equity} = \%$ .

**iii.** The calculation is:  $\text{Cash flow from operating activities} / \text{Total Assets} = \%$ .

**c** Discuss vividly 5 keys segments of projects evaluation and the issues involved 10 marks; 2 marks each

**2** Explain with examples in Nigeria, 4 factors that affect demand for goods and services in the market place. State and discuss clearly the different aspects of each if any. 20 marks

**3a** Why does financial institutions need to study projected income statement for a new project.  
5 marks

**b.** What is a projected income statement and how is a projected income statement and the projected income arranged in standard practice. (5marks)

**c.** With clear illustrations, discuss 4 ways the revenues of a manufacturing project may arise. 10 marks

**4a** State concisely 5 characteristics of any project evaluation criterion should possess

**b** Explain with example the traditional criterion of the payback period in project evaluation. What are its virtues and weaknesses, if any:

(20mark)