



NATIONAL OPEN UNIVERSITY OF NIGERIA
PLOT 91, CADASTRAL ZONE, NNAMDI AZIKIWE EXPRESSWAY, JABI, ABUJA
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF FINANCIAL STUDIES
2022_2 EXAMINATION

COURSE CODE: BFN409 CREDIT UNIT: 3
COURSE TITLE: PROJECT EVALUATION TIME ALLOWED: 2^{1/2} HOURS
NOTE: 1. To attempt question number one (1) and any other three
2. Question number 1 is compulsory and carries 25 marks, while the other questions carry 15 marks each
3. Present all your points in coherent and orderly manner

QUESTION 1 (COMPULSORY)

a) Using notations to denote quantity from domestic production, quantity from imports, and quantity exported of textile materials, formulate an equation for quantity available for the product in the country.
10 marks

b) Identify and explain any five (5) specific components of information relevant for analyzing supply data.
15 marks

Question Two

Use the figures provided below to prepare a three-month adjusted projected cash flow statement for Quotex Nigeria Plc.

Capital: - N2,000,000; Loan: - N1,000,000;

	Jan	Feb	March
Cash Sales (50% realizable):-	N20million;	N35million;	N20million
Raw Material	25million	27million	29million
Salaries and wages	1.5million	1.7million	1.9million
Admin Expenses	200,000	210,000	300,000
Electricity	450,000	500,000	550,000
Loan Repayment	1.5million	1.5million	1.5million
Interest charges	200,000	200,000	200,000
Selling Expenses	500,000	550,000	570,000

15 marks

Question Three

A project is not the same as a programme. **DISCUSS.**

15 marks

Question Four

Identify and discuss the factors that influence the location of intervention projects. **15 marks**

Question Five

Both the shareholders and the stakeholders have reasons for their interest in the risk regime of a project. Clarify any five (5) of such reasons. **15 marks**

Question Six

Describe briefly the following terms:

i) Profitability Assessment **5 marks**

ii) Tobin's Q and Market –to-Book Ratio **5 marks**

iii) Evaluation in Project investment **5 marks**