


NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2023 2 EXAMINATIONS

COURSE TITLE: PROJECT EVALUATION

COURSE CODE: ECO 329

UNITS: 3

TIME ALLOWED: 3 HOURS

INSTRUCTION: ATTEMPT ANY FOUR (4) QUESTIONS. EACH QUESTION CARRY EQUAL MARKS

QUESTION ONE

1a. List four (4) disadvantages of buying an existing business instead of starting a new one. (6 Marks)

1b. A company wants to invest new set of vehicles for the business. The vehicles cost ₦350,000 and would increase the company's annual revenue by ₦100,000, as well as the company's annual expenses by ₦10,000 with a tax rate of 15% of net profit before tax. The vehicles are expected to have a useful shelf life of 20 years with no salvage value. Calculate the accounting rate of return (ARR) for the project. (6 Marks).

1c. Write short notes on (i) The Technical and Engineering Segment, and (ii) The Management Segment of a project (5.5 Marks)

QUESTION TWO

2a. List the process of project selection (7.5 Marks)

2b. To conduct due diligence you'll need to carefully review some documents. List ten (10) of them. (10 Marks).

QUESTION THREE

3a. Enumerate ten (10) negotiation tips. (11.5 Marks).

3b. List only (without explanation) the twelve (12) of the identified "stakeholders" by Kaye (2001) (6 Marks)

QUESTION FOUR

4a. Attitude to risk could be approached from three (3) angles. Identify and explain them. (10.5 Marks)

4b. (i) Define Gross Profit Margin. (ii). Calculate Gross Profit Margin for Obaka farms Nig. Ltd. if the company's gross profit was ₦3,050,000 and net sales was ₦4,050,000 in 2021. (7 Marks)

7. (D) Give a brief explanation on the following common interfaces: *(12 marks)*

- i. Command line interface
- ii. Menus
- iii. Natural language
- iv. Query interfaces

QUESTION FOUR

- (a) List any six of the Shneiderman's eight golden design rules. *(3 marks)*
- (b) Highlight the components of the principles of learnability *(7½ marks)*
- (c) Highlight the presentation issues in designing user support. *(4½ marks)*

QUESTION FIVE

- (a) Using a diagram only, illustrate the similarity between bandwidth, latency and jitter. *(5 marks)*
- (b) Describe the two physiological methods of evaluation. *(10 marks)*

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| 41 | 23 | 25 | 19 | 51 | 23 | 36 | 31 | 35 | 31 |
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2. Solve for X and Y in the system of equations:

$$3X - 4Y = 13 \quad (1)$$

$$3Y + 2X = 3 \quad (2)$$

[20 marks]

3. A number of families of a particular type were measured by the number of children they have, given the following frequency distribution:

Number of children: 0 1 2 3 4 5 or more

Number of families: 12 28 22 8 2 2

Use this information to calculate the (relative frequency) probability that another family of this type chosen at random will have:

(a) 2 children (b) 3 or more children (c) less than 2 children **[20 marks]**

4. What are the different types of annuities? **20 Marks**

5. What do you understand by cash flow and the uses of cash flow **20 Marks**