



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**FACULTY OF SOCIAL SCIENCES**  
**DEPARTMENT OF TOURISM STUDIES**  
**2023\_2 EXAMINATIONS\_**

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**Course Title:** Concept Design and Feasibility  
**Course Code:** TSM 342  
**Course Unit:** 2  
**Time Allowed:** 2:00hrs  
**Instruction:** Answer any three (3) questions only

**Question 1:**

- a. Enumerate eight (8) parts of a feasibility report. (8 marks)  
b. Briefly write a short note on five (5) of the parts listed above. (15.3 marks)

**Question 2:**

- a. What do you understand by break-even point? (6 marks)  
b. Identify the two (2) basic methods of determining breakeven point. (5 marks)  
c. Discuss the following terms in relation to breakeven analysis:  
i. Fixed costs  
ii. Variable cost  
iii. Marginal safety (12.3 marks)

**Question 3:**

- a. What do you understand by sensitivity analysis. (5 marks)  
b. Identify any three (3) general methods of appraising a business proposal. (6.3 marks)  
c. Briefly discuss the following terms.  
i. Payback Method  
ii. Annual Rate of Return  
iii. Technical Risk  
iv. Currency Risk (12 marks)

**Question 4:**

- a. Enumerate two (2) conditions that any events with negative impacts on the financial performance of such projects could result into. (5 marks)  
b. State the three (3) steps involved in minimizing possible risks in project development. (6.3 marks)  
c. Write short notes on the following terms in relation to phases of a particular project.  
i. Construction Phase Risk-Completion Risk  
ii. Operation Phase Risk-Resource/Reserve Risk  
iii. Operating Risk  
iv. Market/Off-Take Risk (12 marks)