Investment Appraisal Methods

ASSESSMENT # 13

Total Marks: 30

1. Explain the various methods of appraising capital projects, including their relative merits and demerits. (15)

2. Preparing a project report involves an analysis of financial data to project future cash outflows and inflows, as well as, a thorough assessment of the following:

- The project's potential in the market
- Its technical feasibility
- Its environmental impact
- Its financial feasibility
- Availability of managerial skills required for the project

Why is an environmental impact documented in a project report and how can it affect future cash inflows and outflows. (1.5 marks for one well - expressed point) (15)