Errata (Updated September 1, 2016 by Ming Zuo):

Textbook: CS Park, MJ Zuo, and R Pelot. Contemporary Engineering Economics: A Canadian Perspective, Third Edition, Pearson Canada, 2011, ISBN 978-0-321-53876-5

Chapter 2:

1. Page 31, Table 2.2: Add the following as the last row of the table (right above the source info): Total common shares outstanding (000's): 566, 219 562,652

Chapter 3:

- 2. Page 101, first line after "SOLUTION": N = 25 years instead of 19 years. Change to 25 years.
- 3. Page 110, Example 3.23: Change "260 kWh" to "259.238 kWh" to make later numbers correct.
- 4. Page 110, Example 3.23: Add "hours each day" right after "run 23% less".

Chapter 4:

- 5. Page 172, in Example 4.14, Line 4 before the "COMMENTS:": change to " $(1+1.7975\%)^12 1 = 23.84\%$,"
- 6. Page 175, in Example 4.15, Last line: Change "15,844.87" to "15,794.87"
- 7. Page 193, Problem 4.26: Change :42" to "30".
- 8. Problem 4.46: Delete "\$500" at the top right part of the figure.
- 9. Problem 4.51: Delete the last sentence, namely, "Use semiannual compounding." Change "the total amount" to "this single payment" in the now last sentence.

Chapter 5:

- 10. Page 254: Change "Graphical Method" heading to "Computer Solution Method"
- 11. Page 260: Delete the "=" sign in the 2nd equation line under Solution (a).
- 12. Problem 5.9: Change to "\$350,000" to "\$35,000 per year"

Chapter 6:

- 13. Page 333: All PW and AE values should carry the negative sign for Example 6.10.
- 14. Page 364, Problem 6.25, Option 3: Add at the end "and get the principal back at the end of year 3"
- 15. Problem 6.51: Change "On the basis of the IRR criterion, w" to "W"

Chapter 7:

- 16. Page 404: Line 3: Change "for each use" to "for each unit"
- 17. Page 412: Steps 3, 4, 5, and 6 are not needed and should be deleted.
- 18. Page 412: The last four rows of entries in the table should be deleted.
- 19. Page 413, the first table: Numerical errors in the last row: Change "1379" to "1397" and "5244" to "6830".

- 20. Page 414, the table: For the row "Direct labour", delete "\$3/unit" as this is a variable as given in the first table on the previous page. In addition, the numericals on this row are off. They are supposed to be: 1270 1560 1716 2125 6571. If we make these corrections, the table on page 417 needs to be updated. Thus, we will keep these as is for now.
- 21. Page 421, Problem 7.4, Under the column of 2000 units: Change the direct labour cost to \$60,000 from \$30,000. The solutions manual needs to be updated too.

Chapter 8:

22. Page 428, Chapter Learning Objectives: Move the bullet item "The effects of depreciation on net income calculation" to Chapter 9.

Chapter 9:

23. Problem 9.9: (a) Add "from operating activities" at the end; (b) Add "from disposal of assets" at the end; (c) Add "from operating activities" at the end.

Chapter 10:

- 24. Page 548, Figure 10.9, Remove the downward cash flow at the end of project marked with P_d (Remove the arrow and the label for this cash flow).
- 25. Page 550, Fig. 10.11, Change "i-t" to "1-t" two places.
- 26. Page 550, the PW expression, 2nd line: "(1-t)" is missing, we should have "\$100,000(1-40-%)(P/A..."
- 27. Page 557, Problem 10.21, for part (b), delete "on the basis of IRR criterion"
- 28. Problem 10.26: Delete Option 3. Delete subquestion (c).

Chapter 11:

- 29. Page 597, Table 11.4: We should change "Example 11.10" to "Example 11.8"
- 30. Page 597, Table 11.4: Change "\$6,836" to "\$1,836"
- 31. Page 597, Equation 2: Change "+\$8,784" to "-\$8,784"
- 32. Problem 11.39(b): change to "If the decision is not to replace the existing system now,"
- 33. ST11.4: Add the following statement: Assume that the current machines have a salvage value of \$30,000 if sold one year later.

Chapter 12:

- 34. Example 12.5: Fraction of term loan: Change from "0.333" to "25%"; Fraction of Bonds: change from "0.667" to "75%". Change id value from 6.92% to 6.85%.
- 35. Example 12.6: Change id from 6.92% to 6.85%. Change k from 14.74% to 14.72%.

Chapter 16:

36. Page 851, Line 5: Remove the 2nd dollar sign, that is, change "\$100 3/4" to "100 3/4"