



MBF 748

**ADVANCED EVALUATION
METHOD**

Course Guide

**COURSE
GUIDE**

**MBF748
ADVANCED EVALUATION METHOD**

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Introduction

MBF748 – Advanced Evaluation Method is a semester course of two credit hours. It is available to students taking the MBF programme in the School of Business and Human Resources Management.

The course consists of 15 units covering the subject area of Advanced Evaluation Method especially with reference to the banking and finance sector. The course guide tells you what the course MBF748 is all about and of course the relevant materials that you need to make your study very successful. Other vital information contained in this course guide includes Tutor-Marked Assignment Questions.

Course Contents

The course contents consist of advanced techniques for conducting Evaluation of Investments. It covers such areas as basic valuation models, capital budgeting and evaluation of corporate performance.

Course Aims

The aims of this course are to expose you to advanced methods of evaluation of investments. You could be either the initiator of the investment to be evaluated or the evaluator especially if you work in a financial institution. The aim therefore is to improve on what you have learnt in evaluation of projects or investments.

Course Objectives

By the end of this course, you should be able to:

- Explain or discuss the core issues in Advanced Evaluation of Projects and Investments.
- Evaluate project and investment proposals submitted to you for appraisal.

Course Materials

- Course guide
- Study units
- Text books
- Assignment guide

Study Units

There are three Modules and five Units each in this course.

Module 1

Unit	1	Time value of money
Unit	2	Basic valuation models
Unit	3	Capital Budgeting
Unit	4	The Cost of capital theory
Unit	5	Traditional Investment Criteria

Module 2

Unit	1	Discounted cash flow criteria
Unit	2	Net Present Value (NPV) Vs Internal rate of return (IRR)
Unit	3	Risk analysis in Capital Budgeting
Unit	4	Financial Analysis – Part one
Unit	5	Financial Analysis – Part two

Module 3

Unit	1	Evaluating Financial risk
Unit	2	Evaluating company performance
Unit	3	Evaluating cash flow statements
Unit	4	Evaluating asset conversion risks
Unit	5	Sensitivity Analysis

Module 1, Units 1 to 5 provide the introductory background to advanced evaluation,. Module 2, Units 1 to 5 treat advanced evaluation criteria. Module 3, Units 1-5 focus attention on the evaluation of the firm including sensitivity analysis.

Each study unit will take at least two hours and it includes the introductions, objectives, main content, exercise, conclusion, summary and references. Others are the Tutor-Marked Assignment (TMA).

You are required to study the materials, reflect and do all the exercises. Some of the exercises require that you visit some organizations like banks and find out how they conduct evaluations. You should also read the text books and other recommended materials.

Assignments

In each unit, you will find exercises which you are required to do. The exercises will enable you to understand better what you have studied.

Assessment

Tutor- Marked Assignment

In doing the Tutor- marked Assignments, you are expected to apply what you have learnt in the contents of the study unit. The assignments are expected to be turned in to your tutor for grading. They constitute 40% of the total score.

Final Written Examination

At the end of the course, you will write the final examination. It will attract the remaining 60%. This makes the final score to be 100%.

Summary

The Course MBF748 – Advanced Evaluation Methods exposes you to the knowledge of how to conduct evaluations / appraisals at an advanced level.