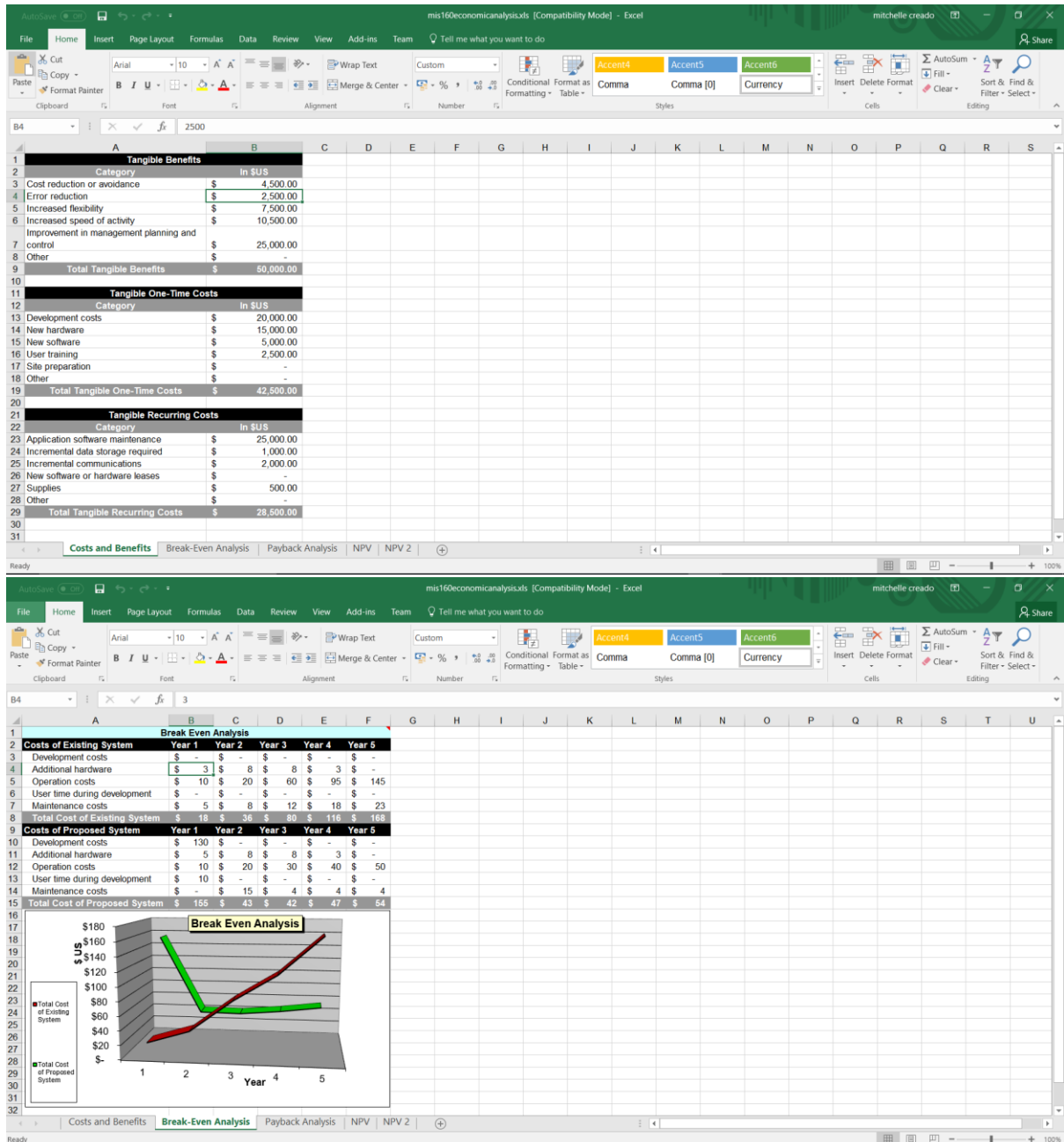


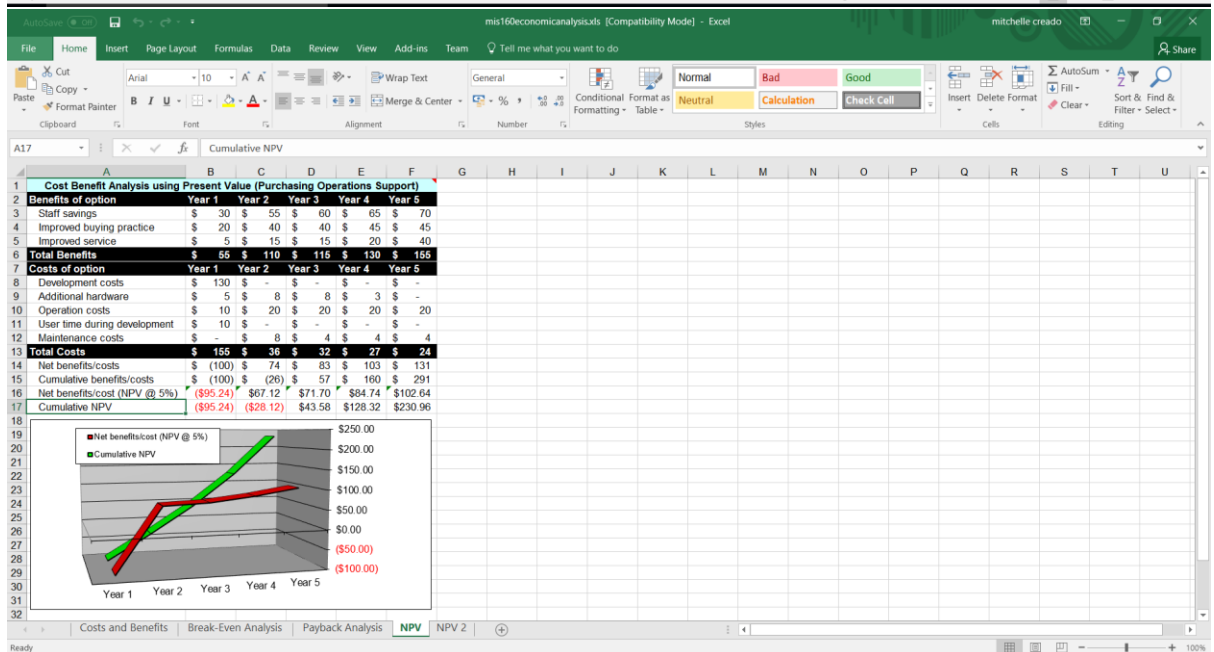
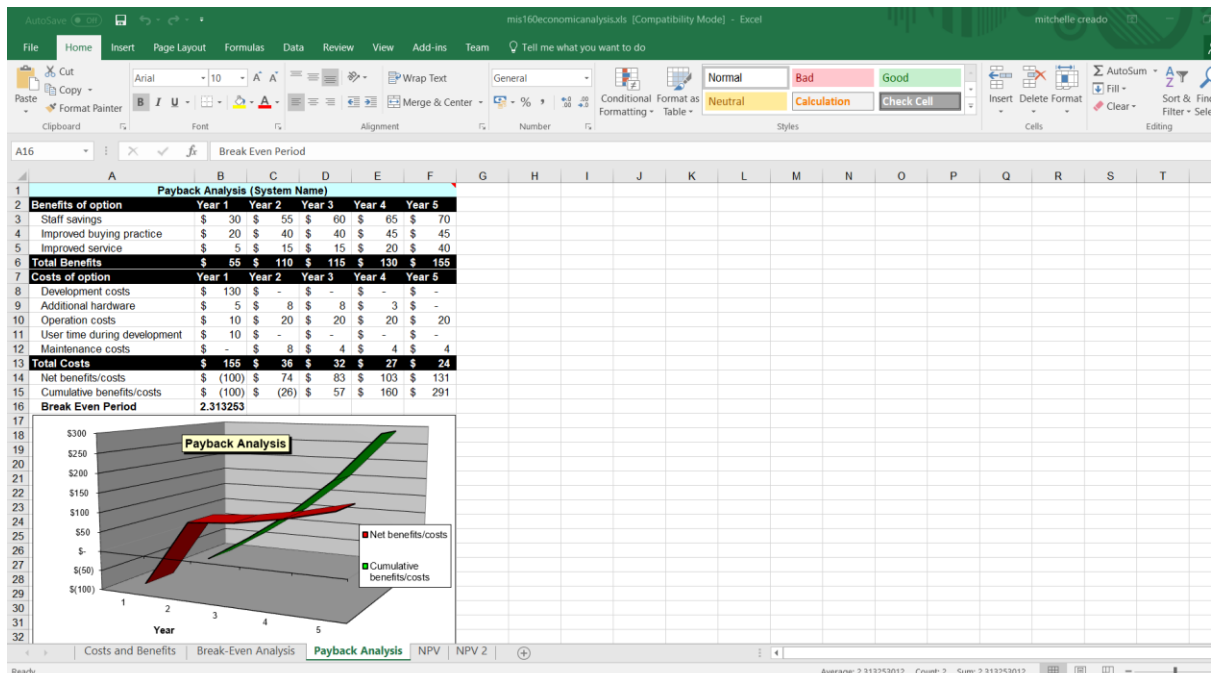
MITCHELLE CREADO

ROLL NO 14

ASSIGNMENT NO 2

Discuss the economic feasibility of your project. Calculate net present value of your project for the first year and the net present value for the next 3 years





mis160economicanalysis.xls [Compatibility Mode] - Excel															
File Home Insert Page Layout Formulas Data Review View Add-ins Team Tell me what you want to do															
Clipboard Font Alignment Number Conditional Formatting Table Styles Cells Editing															
A4 Net economic benefit															
Economic Feasibility Analysis - Customer Tracking System Project															
Cost Benefit Analysis using Present Value															
YEAR OF PROJECT >>>	0	1	2	3	4	5	Totals								
Net economic benefit	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000									
Discount rate (12%)	1	0.892857143	0.797193878	0.711780248	0.635518078	0.567426856									
PV of Benefits	\$ -	\$ 44,043	\$ 39,860	\$ 35,589	\$ 31,776	\$ 28,371									
NPV of all BENEFITS	\$ -	\$ 44,643	\$ 84,503	\$ 1,20,092	\$ 1,51,867	\$ 1,80,239	\$ 1,80,239								
One-time COSTS	\$(42,000.00)														
Recurring Costs	\$ -	\$(28,500.00)	\$(28,500.00)	\$(28,500.00)	\$(28,500.00)	\$(28,500.00)									
Discount rate (12%)	1	0.892857143	0.797193878	0.711780248	0.635518078	0.567426856									
PV of Benefits	\$(42,000.00)	\$(25,446.43)	\$(22,720.03)	\$(20,285.74)	\$(18,112.27)	\$(16,171.67)									
NPV of all COSTS	\$(42,000.00)	\$(67,446.43)	\$(90,166.45)	\$(1,10,452.19)	\$(1,28,564.46)	\$(1,44,736.12)	\$(1,44,736.12)								
Cummulative Difference	(42,000.00)	(22,803.57)	(5,663.90)	9,639.37	23,303.01	35,502.69									