Review the [General Motors annual reports](http://www.annualreports.com/Company/general-motors) and use General Motors’ cost of capital for 2018 from the previous module as the basis for this assignment. Then complete this worksheet using the directions within to guide you. Submit your completed worksheet in the “Assignment and Grades” tab in your course menu. When you have submitted this assignment for grading, please return to Module 4 for a module wrap-up.

|  |  |
| --- | --- |
| **Capital Budgeting: NPV & IRR Worksheet** | |
| **Step 1.** Calculate the net present value of the facility. | Net present value of the facility  *Show your calculations.*  Calculated Answer: |
| **Step 2.** Calculate the internal rate of return of the new facility. | Internal rate of return of the new facility  *Show your calculations.*  Calculated Answer: |
| **Step 3.** Calculate the NPV and IRR assuming $7 million per year in net operating cash flows for 20 years. | NPV and IRR  *Show your calculations.*  Calculated Answer: |
| **Step 4.** Make a recommendation whether General Motors should complete the facility using net present value and internal rate of return. Support your recommendation with a minimum of five resources, cited in APA format. | Written Response: |
| **Step 5:** Provide your reference list in APA format. | Reference List: |