



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14-16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
JANUARY/FEBRUARY 2013 EXAMINATION**

**COURSE CODE: MBF 820 CREDIT UNITS: 2**

**COURSE TITLE: PROJECT FINANCE & BUDGETING**

**TIME ALLOWED: 2 HOURS**

**INSTRUCTIONS:**

- 1. Attempt question number one (1) and any other two (2).  
marks each.**
- 2. Question number 1 is compulsory and carries 30 while the other 2 questions carry 20 marks**
- 3. Present all your points in coherent and orderly manner.**

**QUESTIONS:**

- 1. List the factors that determine the volume of working capital of a business. (30 marks).**
- 2. a. Explain break- even analysis.  
8marks**  
**b. state 3 of its advantages and 3 limitations.  
12 marks**
- 3. Project Analysis may be carried out from the point of view of 4 entities. List those 4 entities. (20 marks).**
- 4. Sales revenue depends on the volume of sales and the price which can be obtained for the product. Physical volume of sales depends on several factors. List these factors. (20 marks).**
- 5. No two businesses are alike but there are certain aspects of a feasibility report which good feasibility report should have. List these critical aspects of good feasibility report. (20 marks).**