



NATIONAL OPEN UNIVERSITY OF NIGERIA
14/ 16 AHMADU BELOW WAY, VICTORIA ISLAND, LAGOS
SCHOOL OF MANAGEMENT SCIENCES
MARCH, 2014 EXAMINATION

COURSE CODE: TSM 342

COURSE UNIT: 2

COURSE TITLE: CONCEPT, DESIGN & FEASIBILITY

TIME ALLOWED: 2HOURS

Instruction:

- 1. Attempt any three questions of your choice.**
- 2. Present your answer legibly and logically using relevant examples.**
- 3. All questions carry equal marks except question one. Question one is compulsory.**

1a) Define Cash budget and highlight its importance (10 Marks)

1b) What is Cash Flow Forecast? Outline clear the principles to observe when filling a simple cash flow form (20 Marks)

2a) Comment on the ways entrepreneurs can lower the break-even volume (10 Marks)

2b) Comment on commonly employed mechanisms for minimising completion risk before lending takes place (10 Marks)

3) The tools for financial analysis are intended to show relationships and changes. Amplify this statement (20 Marks)

4a) What is Cash Flow Forecast (5 Marks)

4b) What is the formula for calculating the break-even point (5 Marks)

4c) Outline and explain four methods of appraising a business proposal (10 Marks)

5a) What is a feasibility report? Does it really serve any useful purpose (10 Marks)

5b) Itemise with brief comment the kind of information needed for a feasibility report (10 Marks)