



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

COURSE CODE: HPM342

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)**

