

• Net present value Fuge 41 10%

200,000	1.00	200,000
80,000	0.9091	72,728
60,000	0.8264	49,584
60,000	0.7513	45,078
40,000	0.6830	27,320
40,000	0.6210	24,840
		<u>219,550</u>

• NPV $219,550 - 200,000$
 $= £19,550$

Net present value Centre 4

200,000	1.00	200,000
60,000	0.9091	54,546
60,000	0.8264	49,584
60,000	0.7513	45,078
60,000	0.6830	40,980
60,000	0.6210	37,260
		<u>227,448</u>

NPV $227,448 - 200,000$
 $= £27,448$

c) The project that is the best option is Fuge 41 as the 200,000 investment gets paid back the quickest in 3 years.