

SURNAME (Print)

FORENAME(S) WILLIAM

1. Please give the information requested in the Survey Section.
2. Enter your name in the space provided in the right hand corner and read slowly looking for what is needed to take your notes.
3. The answers must be neatly written. The Examiners are often given lengthy copies of what is typed and the appearance of typing is judged in the evaluation.
4. Write your answers to the
5. Begin each answer on a fresh page. Do not write over the answer sheet and never a paragraph.
6. No part of this book is to be torn out & must be returned to examiner.
7. If more books than are are used, label them together using the tags available from the registrars.
8. Every book must be handled in, in no circumstances may answer books, used or unused, be taken out of the examination venue

1	Student Number	202457664
2	Title of Examination Paper	Exam paper Language Literature
3	Module Code	GOEN5001
4	Date and Time of Examination	6.5.25 pm
5	Examination Venue	W2HALLFCS
6	Seat Number	C2
7	Number of Answer Books handed in	

[illegible]

R*

$$\frac{41}{75} = 55\%$$

Question 2.

a) Project A.

1 ~ 80,000 Cash inflow

2 ~ 80,000 + 50,000 = 130,000 Cash inflow

3 ~ 130,000 + 45,000 = 175,000 Cash inflow

4 ~ 175,000 + 40,000 = 215,000 Cash inflow

After 4 years there will be a profit but working out the pay back ~~back~~ it after 3 years and before 4.

$$\frac{40,000}{2} = 20,000$$

3.5 years = 175,000 + 20,000 = 195,000 ✓

3 years 6 months = 195,000

3 yr 7 months = 195,000 + 3333.33 = 198,333.33 ✓

 $40,000 \div 12 = 3333.33$

3 yr 8 months = 198,333.33 + 3333.33 = 201,666.66 ✓

Project A now has 3 years and 8 months for payback

Project B

1 yr = 60,000 ✓

2 yr = 60,000 + 50,000 = 110,000 ✓

3 yr = 110,000 + 50,000 = 160,000

4 yr = 160,000 + 60,000 = 240,000

After 4 years there will be profit of 240,000

 $60,000 \div 12 = 5000$ per month ✓ $40,000 \div 5000 = 8$ months extra needed

Project B will have a pay back of 3 years and 8 months.

2.2 Project C

$$2y_0 = 7,000$$

$$2y_1 = 2,000 + 20,000 = 22,000$$

$$2y_2 = 15,000 + 20,000 = 35,000$$

$$2y_3 = 10,000 + 20,000 = 30,000$$

2.3.1.1. The cash flow is as follows:

Year

$$0 \text{ to } 3 \text{ years} = 3 \text{ years}$$

and 3 years are the 12 months which means we need 10,000 as present value

$$\frac{10,000}{5,000} = 4$$

$$5,000$$

Project C requires 12 months and 4 months

b)

Project 4

year	Draw later	Cash flow	Present value
0	1000	(200,000)	(200,000)
1	0.9041	50,000	72,728
2	0.8264	50,000	41,320
3	0.7513	45,000	33,808.5
4	0.6830	40,000	27,320

$$\text{Total present value} = 72,728 + 41,320 + 33,808.5 + 27,320 = 175,176.5$$

Q 2 a)

Project A

Initial cost = 175,126

$$NPV = 175,126 - 200,000 = -24,874$$

This gives us a negative NPV of -24,874 for Project A

Project B

Year	Revenue	Cost	Profit
0	1000	1000	0
1	2000	6000	54,546
2	3200	5000	41,320
3	2500	5000	37,565
4	6830	6000	40,985

$$\text{Total profit} = 54,546 + 41,320 + 37,565 + 40,980 = 174,411$$

NPV:

$$174,411 - 200,000 = -25,589$$

This gives us a negative NPV of -25,589 for Project B

Q.2

b)

Project C

year	Discount factor	Cash flow	Present Value
0	1.000	(200,000)	(200,000)
1	0.9091	70,000	63,637
2	0.8264	60,000	49,584
3	0.7513	50,000	37,565
4	0.6830	60,000	40,980 ✓

$$\text{Total present value} = 63,637 + 49,584 + 37,565 + 40,980 \\ = 191,766$$

$$\text{NPV} = 191,766 - 200,000 \\ = -8,234$$

This gives us a negative NPV of -8,234 for project C.

c) all 3 of the projects give us a negative net present value so all of these are likely to be rejected by the banks. ✓

However, if I had to pick one then I would pick project C. This is due to the fact that the net present value is less negative so it would be easier to gain back. ✓

d) When making investment decisions 2 factors that should be considered would be the net present value as it shows us how successful or unsuccessful a company could be. ✓

(3)

(3)

(1)

Q) My Grand kids want to be business people
can be business. But this is due to the fact
that the business part will be able to prosper
because when a person is due to business and
that will get us out from the other part.
Should not worry.

Q 1.

a) Straight line Method

$$\frac{30,000 - 7,500}{3} = 7,500$$

after the first year everything added together will cost $30,000 - 7,500 = 22,500$

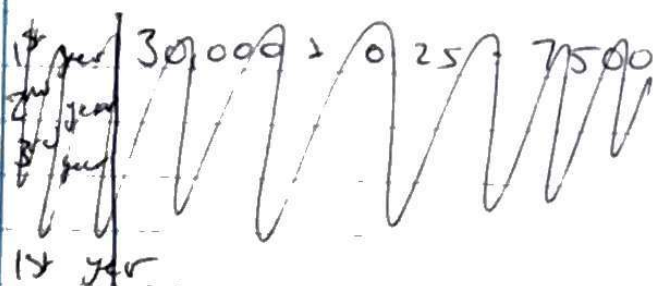
after the second year $= 22,500 - 7,500 = 15,000$

after the 3rd $= 15,000 - 7,500 = 7,500$

0	30,000
1st year	22,500
2nd year	15,000
3rd year	7,500

Using the Straight line Method we can see the Depreciation is 7,500

b) reducing balance Method



1st year

$$30,000 \times 0.25 = 7,500$$

$$30,000 - 7,500 = 22,500$$

2nd year

$$22,500 \times 0.25 = 5,625$$

$$22,500 - 5,625 = 16,875$$

The advantages of using secondary business location are that the transportation is much lower than before. In the previous year not long the oil and price. The disadvantages are that the petrol is more expensive than before. The petrol is much more expensive than before. The petrol is much more expensive than before. The petrol is much more expensive than before.

Q-1. D1. Calculate the mean and s.d.

For the 3 years
1990-91 = 257 per acre
1991-92 = 234 per acre
1992-93 = 271 per acre

Mean = 257.33
S.D. = 17.32

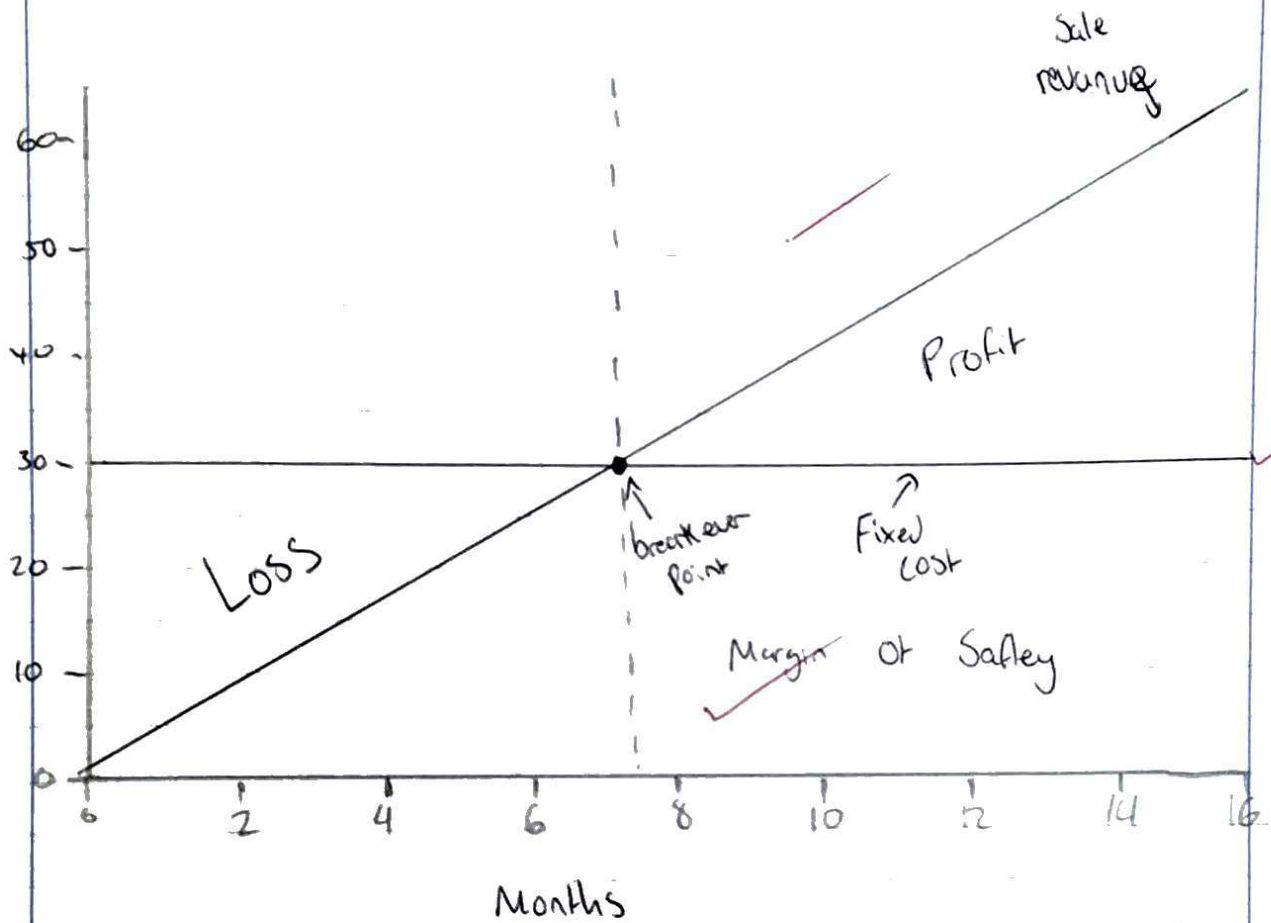
Answer : Mean = 257.33 per acre
S.D. = 17.32 per acre

Q-2. Calculate the mean and s.d. for the following data.

1007
255

(4)

Q.1. E) draw + label a breakeven chart.



(3)

Q.3 a)

The conditions which a business is able to engage in price discrimination are

b) There are 3 types of Price discrimination these are, First degree price discrimination, Second degree price discrimination and Third degree price discrimination.

1st degree price discrimination would be where a company will try and get the max price they can per unit being consumed. This will mostly happen when things used to make this new unit all come priced differently. However, the company selling this new unit will price all of these products at the highest value. For example if a bag cost \$5 to make but could sell for \$20 and another item cost \$7 to make but sells for \$25, 1st degree price discrimination would price both of these items at \$25.

2nd degree price discrimination is where a company will give you a better price depending on how many you buy. For example, if you went to a shop company that used 2nd degree pricing then you could buy a hair brush for its normal price. However, if you wanted to buy 100 or be some hair brush then the company would likely give you a discount as you are buying in bulk.

X
0

3

2

Q.3

b) third degree price discrimination is where company's will charge prices for a different group of people, different ages and even different ~~sex~~ genders. ✓

This type of price discrimination is mostly used at movies where adults will pay more than children to watch the same movie. It is also commonly used in car insurance where women will get charged less than men. And where the older you are the less you have to pay.

(3)