

**APL SCHEME**

Name of Candidate .....

Assessor .....

Date of Assessment .....

UNIT	DESCRIPTION	PERFORMANCE CRITERIA										COMMENTS
Unit (8) Associate: Project Appraisal		1	2	3	4	5	6	7	8	9	10	
	<p>(1) Identify the Capital Budgeting Cycle within your own Organisation.</p> <p>(2) Describe the type of Capital Projects that your Organisation considers.</p> <p>(3) Define what is meant by the term Weighted Average Cost of Capital.</p> <p>(4) Prepare a Capital Expenditure Forecast showing clearly Cash Inflows and Outflows over the life of the Project.</p> <p>(5) Prepare an Appraisal of a Capital Expenditure Project using the following techniques:</p> <ul style="list-style-type: none"> <li>• Average Rate of Return</li> <li>• Payback Period</li> <li>• NPV- Net Present Value</li> <li>• Discounted Payback Period</li> <li>• Discounted Profitability</li> </ul>											

<p>Index</p> <ul style="list-style-type: none"> <li>• Internal Rate of Return: Calculated by Extrapolation/Interpolation. That being by graph or formula.</li> <li>• MGR – Marginal Growth Rate.</li> </ul> <p>(6) Prepare an Appraisal of two projects competing for the same Capital Expenditure using the above techniques and making your recommendations to Senior Management.</p> <p>(7) State how Annual Investment or Capital Allowances can affect the Cash Flow from Capital Projects. ( give similar examples as to how your organisation can benefit from Tax Allowances)</p>											
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