

Software Project Management INF3708

Assignment 02: Due date 24 March 2016 Compulsory

Unique nr: 834687

Marks weight: 20%

ASSIGNMENT 02 - SEMESTER 1

ASSIGNMENT 02	
Due date	24 March 2016
Study material	Hughes & Cotterell: Chapters 2
Total marks	32 marks = 100%
If your assignment is late, please DO NOT PHONE OR E-MAIL asking for an extension but include a note in your assignment stating the reason for the late submission and we will decide whether or not it will be marked.	

Instructions:

1. [Download](#) and **complete** this assignment and submit online in a .pdf format by performing the calculations.
2. The following unique number has to be assigned to the assignment:

UNIQUE NUMBER:
834687

3. Show all your working (calculations).
4. This assignment consists of 5 questions.

QUESTIONS FOR ASSIGNMENT 02:

The cash flows of Projects A, B and C is given in the table below (in ZAR, South African rand, R):

Year	Project A	Project B	Project C
0	-R 250,000.00	-R 300,000.00	-R 200,000.00
1	R 25,000.00	R 25,000.00	R 40,000.00
2	R 25,000.00	R 50,000.00	R 40,000.00
3	R 50,000.00	R 75,000.00	R 40,000.00
4	R 50,000.00	R 50,000.00	R 40,000.00
5	R 100,000.00	R 50,000.00	R 80,000.00
6	R 100,000.00	R 75,000.00	R 80,000.00

Table of cash flows for Project A, B and C

Use this information to calculate the **Net Profit**, the **Return on Investment (ROI)**, the **payback period** and the **Net Present Value** at 12% for each of these projects. Then answer Questions 1 – 5.

1. Calculate the Net Profit for each project. (6 marks)
2. Calculate the Return on Investment for each project. (6 marks)
3. Calculate the Payback Period for each project. (6 marks)
4. Calculate the Net Present Value for each project. (12 marks)
5. Give reasons why project C is the best project to develop. (2 marks)