


NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF TOURISM STUDIES
2023_2 EXAMINATIONS—

Course Title: Concept Design and Feasibility

Course Code: TSM 342

Course Unit: 2

Time Allowed: 2:00hrs

Instruction: Answer any three (3) questions only

Question 1:

- a. Enumerate eight (8) parts of a feasibility report. **(8 marks)**
b. Briefly write a short note on five (5) of the parts listed above. **(15.3 marks)**

Question 2:

- a. What do you understand by break-even point? **(6 marks)**
b. Identify the two (2) basic methods of determining breakeven point. **(5 marks)**
c. Discuss the following terms in relation to breakeven analysis:
i. Fixed costs
ii. Variable cost
iii. Marginal safety **(12.3 marks)**

Question 3:

- a. What do you understand by sensitivity analysis. **(5 marks)**
b. Identify any three (3) general methods of appraising a business proposal. **(6.3 marks)**
c. Briefly discuss the following terms.
i. Payback Method
ii. Annual Rate of Return
iii. Technical Risk
iv. Currency Risk **(12 marks)**

Question 4:

- a. Enumerate two (2) conditions that any events with negative impacts on the financial performance of such projects could result into. **(5 marks)**
b. State the three (3) steps involved in minimizing possible risks in project development. **(6.3 marks)**
c. Write short notes on the following terms in relation to phases of a particular project.
i. Construction Phase Risk-Completion Risk
ii. Operation Phase Risk-Resource/Reserve Risk
iii. Operating Risk
iv. Market/Off-Take Risk **(12 marks)**