

Quiz Submissions - Practice 6B (NPV)



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Attempt 1

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Submission View

Your quiz has been submitted successfully.

Question 1

0 / 1 point

Find the net present value (NPV) for the following series of future cash flows, assuming the company's cost of capital is 6.14 percent. The initial outlay is \$402,588.

Year 1: 189,134

Year 2: 178,149

Year 3: 192,301

Year 4: 185,575

Year 5: 126,405

Round the answer to two decimal places.

Answer:

.. (334,615.14)

Question 2

0 / 1 point

Tall Trees, Inc. is using the net present value (NPV) when evaluating projects. You have to find the NPV for the company's project, assuming the company's cost of capital is 12.71 percent. The initial outlay for the project is \$306,909. The project will produce the following after-tax cash inflows of

Year 1: 123,554

Year 2: 84,458

Year 3: 87,705

Year 4: 120,277

Round the answer to two decimal places.

Answer:

(4,980.61)

Question 3**0 / 1 point**

Green Landscaping, Inc. is using net present value (NPV) when evaluating projects. Green Landscaping's cost of capital is 9.35 percent. What is the NPV of a project if the initial costs are \$2,160,735 and the project life is estimated as 6 years? The project will produce the same after-tax cash inflows of \$473,532 per year at the end of the year.

Round the answer to two decimal places.

Answer:

(-58,494.07)

Question 4**0 / 1 point**

A project has an initial outlay of \$3,678. It has a single payoff at the end of year 5 of \$6,552. What is the net present value (NPV) of the project if the company's cost of capital is 13.22 percent?

Round the answer to two decimal places.

Answer:

(-156.25)

Attempt Score:0 / 4 - 0 %

Overall Grade (highest attempt):0 / 4 - 0 %

Done