

## Unit 4 - Individual Project

### Assignment Overview

**Type:** Individual Project  
**Unit:** Long-Term Budgeting  
**Due Date:** Tue,5/4/21  
**Grading Type:** Numeric  
**Points Possible:** 200  
**Points Earned:**  
**Deliverable Length:** 15 slides  
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### My Work:

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### Assignment Details

#### Assignment Description

##### Assignment Details

*Capital budgeting* is utilized to determine if a project is worthwhile. The net present value (NPV), payback period, and internal rate of return (IRR) methods are used to rank and select which project to undertake. The following video outlines the NPV and IRR method of capital budgeting:

<https://www.youtube.com/watch?v=HFFkFMfotTO>

In this assignment, you are required to prepare a PowerPoint presentation reviewing 3 projects. You will calculate the NPV, IRR, and payback period for each project. Utilizing the capital budgeting calculations, you will need to select the best investment for the company. These calculations will be based on the following scenario:

AIU Industries has 3 potential projects to consider, all with an initial cost of \$1,250,000. The company prefers to reject any project with a 4-year cut-off period for recapturing initial cash outflow. Given the cost of capital rates and the future cash flow for each project, determine which project the company should accept.

Cash Flow	Project A	Project I	Project U
Year 1	250,000	450,000	250,000
Year 2	250,000	450,000	400,000
Year 3	250,000	450,000	600,000
Year 4	250,000	450,000	800,000
Year 5	400,000	400,000	200,000
Year 6	400,000	400,000	800,000
Year 7	400,000	400,000	600,000
Year 8	400,000	400,000	200,000
<b>Cost of Capital</b>	4%	6%	8%

#### Please submit your assignment.

Submitting your assignment in APA format means, at a minimum, you will need the following:

- **Title slide:** Remember the running head. The title should be in all capitals.
- **Length:** 15 slides minimum
- **Body slides:** This begins on the slide following the title slide and must be double-spaced (be careful not to triple- or quadruple-space between paragraphs). The typeface should be 12-pt. Times Roman or 12-pt. Courier in regular black type. Do not use color, bold type, or italics, except as required for APA-level headings and references. The deliverable length of the body of your presentation for this assignment is 15 slides. In-body academic citations to support your decisions and analysis are required. A variety of academic sources is encouraged.
- **Reference slide:** References that align with your in-body academic sources are listed on the final slide of your presentation. The references must be in APA format using appropriate spacing, hanging indent, italics, and uppercase and lowercase usage as appropriate for the type of resource used. Remember, the Reference slide is not a bibliography but a further listing of the abbreviated in-body citations used in the paper. Every referenced item must have a corresponding in-body citation.

Your assignment will be graded in accordance with the following criteria. [Use this link to view the Grading Rubric.](#)

**For assistance with your assignment, please use your text, Web resources, and all course materials.**

If you are planning to repurpose an assignment or submit one you have used before, please let your instructor know. If an instructor is not made aware of work being repurposed or reused, he or she will treat the assignment as a plagiarized task and reserves the right to post an F grade and submit a task for review to administration until proof of originality

is provided. View [the full AIU Policies on submitting papers](#).

The following are some tips if you have problems submitting your assignment:

1. Resave in the proper format per the Assignment Detail instructions, and resubmit.
2. Submit with a different Web browser.
3. Submit from a different computer.
4. Call Technical Support at 877-221-5800, Menu Option 2. They are open 24/7.
5. If you are still having difficulties after trying steps 1 to 4, please contact your course instructor.

Make sure you submit this assignment by the listed due date. Late deductions will apply for this assignment as follows:

1. Assignments submitted within 7 calendar days after the stated due date: 10% penalty of total assignment points.
2. Assignments submitted 8 to 14 calendar days after the stated due date: 20% penalty of total assignment points.
3. Assignments submitted 15 to 21 calendar days after the stated due date: 30% penalty of total assignment points.
4. Assignments submitted 22 to 28 calendar days after the stated due date: 40% penalty of total assignment points.
5. No assignments, including late assignments, will be accepted after the end of the course unless an approved Incomplete has been granted.

#### Reference

Edspira. (2013, September 18). *Net present value (NPV)* [Video]. YouTube. <https://www.youtube.com/watch?v=HFFkFMfotT0>

## Reading Assignment

*Financial and Managerial Accounting*: Chapter 26 & Appendix A–B

## Assignment Objectives

- Prepare a long-term budget

## Other Information

There is no additional information to display at this time.

## Legend

 Extra Credit  View Assignment Rubric