Ch.9

What are the differences in the calculation of net present value and internal rate of return?

What are the various tools for analyzing capital investments?  What are the decision criteria, advantages and disadvantages of each?  Which one would you recommend that your boss use in analyzing a new business opportunity?  Why?

Ch 10

How are investments in net working capital used in the preparation of a firm's net cash flow?

What role do pro forma financial statements play in analyzing new projects? How are the assumptions developed and tested?

it is important to note that good pro forma statements will also include a cash flow statement and a balance sheet. Why is this important?

Ch11

What is the acceptance or rejection criteria when using the net present value of cash flow analysis?

What is the role of risk in evaluating new projects?  How can risk issues be identified and mitigated?