



Department of Education, Sabaragamuwa/weekly school

week- April 5

Subject-Accounting

Grade-13

Prepared by -
Zonal Education Office, Rathnapura.

Competency 16.0 – Supports the capital investment decision making.

Competency Level 16.2 – Supports to make investment decisions by using different capital evaluation methods.

- Name investment evaluation techniques
- Calculate accounting rate of return
- Make the decisions on payback period
- Explain time value of money
- Make the decisions on present value and net present value
- Mention the advantages and disadvantages of investment evaluation techniques
- Make the decisions based on various evaluation techniques.

Exercises:

01. Pay back periods of two expected investments are given below.

Investment 1 – 4 years and 3 month

Investment 2 – 4 years and 1 month

Mention the investment to be accepted and write the reasons.

