A project has an initial requirement of $261,000 for fixed assets and $27,000 for net working capital. The fixed assets will be depreciated to a zero book value over the 4-year life of the project and have an estimated salvage value of $78,000. All of the net working capital will be recouped at the end of the project. The annual operating cash flow is $96,200 and the discount rate is 13 percent. What is the project's net present value if the tax rate is 35 percent

$42,011

$43,333

$45,799

$47,880

$47,919

Answer

	0	1	2	3	4	
I	-288					
D		45,75	45,75	45,75	45,75	
Recoup					27	
OP CF		96,2	96,2	96,2	96,2	
Income after tax		62,53	62,53	62,53	80,08	
CF		108,28	108,28	108,28	125,83	
kd		0,884956	0,783147	0,69305	0,613319	
CF d		95,82301	84,79912	75,04347	77,1739	44,8395