

TSC Category	Project Finance					
TSC	Capital Expenditure and Investment Evaluation					
TSC Description	Assess investments based on alignment with strategies, affordability, acceptable returns and prioritisation of options					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			EGS-MAC-3002-1.1	EGS-MAC-4002-1.1	EGS-MAC-5002-1.1	EGS-MAC-6002-1.1
			Perform investment appraisal techniques	Evaluate investments, capital expenditures and financing projects	Review investment appraisals	Evaluate investment proposals for approval
Knowledge			<ul style="list-style-type: none"> Payback, and discounted payback techniques Accounting rate of return (ARR) Net present value (NPV) Internal rate of return (IRR) and modified IRR 	<ul style="list-style-type: none"> Investment appraisal techniques Relevant strengths and weaknesses of investment appraisal techniques 	<ul style="list-style-type: none"> Investment appraisal techniques Relevant strengths and weaknesses of investment appraisal techniques 	<ul style="list-style-type: none"> Adjusted present value Certainty equivalent Relevant investment projects evaluation
Abilities			<ul style="list-style-type: none"> Perform payback and discounted payback techniques for investments Calculate ARR for investments Calculate NPV for investments Calculate IRR and modified IRR for investments 	<ul style="list-style-type: none"> Analyse the strengths and weaknesses of payback and discounted payback techniques to assess investments Analyse the strengths and weaknesses of accounting rate of return (ARR) technique to assess investments Analyse the strengths and weaknesses of net present value (NPV) technique to assess investments Analyse the strengths and weaknesses of internal rate of return (IRR) and modified IRR technique to assess investments 	<ul style="list-style-type: none"> Evaluate the strengths and weaknesses of payback, discounted payback, accounting rate of return (ARR), net present value (NPV), internal rate of return (IRR) and modified internal IRR and their impact on the business Provide views and recommendations to address the impact of the various investment appraisal techniques on the project 	<ul style="list-style-type: none"> Prioritise projects that are mutually exclusive and/or are subject to single-period capital rationing and/or have unequal lives Evaluate cost of capital and risk Recognise risk using the certainty equivalent method Determine adjusted present value