

**NPV Example 1**

Company: Sunrise Bakery  
Asset cost: 50,000  
Residual value: 0  
Useful life: 6 years  
Minimum RRR: 12%  
Depreciation method: straight-line  
Income tax rate: --

Expected net cash inflows:  
Year 1 14,000  
Year 2 14,000  
Year 3 14,000  
Year 4 14,000  
Year 5 14,000  
Year 6 14,000

Year	Cashflows	PV factor	Present Value

