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Universiti Tun Hussein Onn Malaysia

**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
(TAKE HOME)  
SEMESTER II  
SESSION 2019/2020**

COURSE NAME : CONSTRUCTION FINANCIAL  
MANAGEMENT

COURSE CODE : BPD 35202

PROGRAMME CODE : BPC

EXAMINATION DATE : JULY 2020

DURATION : 24 HOURS

INSTRUCTION : ANSWER ALL QUESTIONS  
**OPEN BOOK EXAMINATION**

THIS QUESTION PAPER CONSISTS OF **TWO (2)** PAGES

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**TERBUKA**

**Q1** Petrol Star Company plans to develop a petrol station project at Parit Raja, Batu Pahat, Johor. As a financial consultant you are required to consult profitability level of the project based on the information in **Table Q1**.

**Table Q1: Construction Cost of Petrol Station Project**

Component	Area (sqf)	No.	Cost (RM/sqf)
Main Building	1,556	1	42
Canopy	4,478	1	21
Toilet/Store	325	1	40
Car shed	450	1	4
Tank	Litres (l)	No.	Cost (RM/litres)
Leaded tank	25,000	4	0.8
Unleaded tank	20,000	4	0.7
Tank	27,000	1	0.65
Diesel tank	18,000	2	0.5

Analyse the gross profit of this project based on contractor method. Assume that the interest of petrol station is 10% and use other suitable assumptions if needed.

(25 marks)

**Q2** Your firm has just been awarded a contract to construct a hotel project. You are responsible for all construction activities such as procurement, site safety, compliance with local codes, receiving materials, negotiating and supervising all subcontractors. The contract details are as follows:

- Project cost : RM10 million
- Project duration : 1 year
- Construction agreement : Traditional
- Contract basis : Lump sum
- Retention fund : 10%
- Liquidated damages : RM5,000 per day for the first two weeks and RM10,000 per day thereafter

Justify **FIVE (5)** cost-control activities for this project.

(25 marks)

**-END OF QUESTIONS-**