

15

FLCS

21 November 2002

Day 4 – afternoon

INSTRUCTIONS TO CANDIDATES

You are allowed three hours to answer this question paper.
This booklet contains the examination question and both the pre-seen and unseen elements of the case material.
Answer the question. This is on page 17, which is detachable so that you can refer more easily to the question at the same time as the information within both the pre-seen and unseen material.
Maths Tables were provided are on pages 25 and 26.
Write your examination number in the boxes provided on the front of the answer book. Write FLCS on the line marked "Subject" on the front of the answer book.
Do NOT write your name or your student registration number anywhere on your answer book.

<i>Contents of this booklet:</i>	<i>Page</i>
Pre-seen material – Constro (Pty) Ltd	2
Appendices A and B	14
Question requirement	18
Unseen material	19
Maths tables	23

Case originated by Heather Barnwell FCMA

[This page is detachable, for ease of reference]

Constro (Pty) Ltd – Unseen material provided on examination day

Additional (unseen) information relating to the case is given on pages 19– 23.
Read all of the additional material before you answer the question.

ANSWER THIS QUESTION – 100 MARKS

You are a Strategy Consultant, working for an international firm of consultants, which has been appointed by the Chief Executive of Constro.

Prepare a report that recommends to the Board whether Constro should, or should not, apply for a mobile telecoms network licence. The report should assess whether Constro should apply on its own or in a joint venture with one of the two selected global telecoms companies.

The report should additionally discuss whether Constro should also expand the business with construction projects (including road-building) outside of Afri and / or by retailing mobile telephones (as set out in the unseen material – *The alternative strategies available for Constro* – on page 20).

For simplicity, ignore taxation and capital allowances.
