

CAMBRIDGE MANAGEMENT AWARD

EXECUTIVE CERTIFICATE

MODULE ASSIGNMENT

MODULE TITLE: Managing Finance

MODULE NUMBER: 4175/B

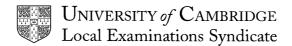
Valid between 1 January 2002 and 31 December 2002

INSTRUCTIONS TO CANDIDATES

You should read the assignment carefully.

It is important to complete the **Assignment Cover Sheet** when you have finished your work. You must complete the details and sign the declaration to confirm that the assignment is all your own work and your tutor must sign to verify that it is your own work

The length of the assignment must be between 2000 and 3000 words.



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Executive Certificate Module 4175/B

Managing Finance - Core Module

Title: Financing the Unexpected

Obtain the financial forecasts for your team, project or department for the next accounting period.
 These should include at least a budget, profit and loss account and cashflow forecasts. Review these with your manager so that you fully understand the significance of the assumptions made when these forecasts were prepared.

Prepare a brief report on these forecasts which summarises the discussion with your manager.

2. You are now going to review the impact made upon these forecasts when changes are made to the initial assumptions (you may find the calculations in this assignment more straightforward if you use a spreadsheet).

Make three significant changes to the assumptions upon which the forecasts have been made. These may be concerned with a change of staffing resources, financial resources, workload, organisational change, customer or supplier change. They may be changes to the initial assumptions, or they may be changes occurring during the accounting period which need to be taken into account. The actual changes made will be left to your discretion and you should base them on credible contingencies within your business environment.

For each chosen change, write a brief report, explaining what change is and why you have chosen to make it.

- **3.** Using these changed assumptions, prepare the financial forecasts for the accounting period as in stage 1 above.
- **4.** Review these forecasts and report on the significance of the variance from the original forecasts. Explain the effects on the financial condition of the team, project or department were these changes to actually occur. What actions would you take to manage such beneficial and/or adverse effects?
- **5.** Present your findings to your manager and note any comments or feedback.

You must include in your assignment all documentation, notes and materials generated from each stage as shown above.

You are not expected to include confidential information on your organisation, its personnel or performance.