

**BTEC Edexcel Level 7 Extended Diploma in Strategic Management & Leadership
Case Study/Assignment Activity**

Unit/Learning Outcome Unit 8: Financial Principles for Strategic Managers LO A-B

Group/Individual
Activity

Individual Activity

Issue Date 3-11-2023

Assessor Name

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Hand in Date 23-11-2023

Learning Outcome

LO A Understand the contribution of the Finance functions to strategic decision.

LO B Understand the Strategic Management Decision-Making process in the allocation of organizational resources

Case Study / Scenario and the Tasks Involved in respect to the Case Study / Scenario

You are appointed as a Financial Analyst with a NSE listed manufacturing company in India. Now your immediate manager has asked you to do the financial analysis of past 3 financial years and prepare a financial report there upon for managerial discussions. SO prepare the reports for tasks 1-3

Task 1. Analyze the relationship between cost accounting, management accounting and financial accounting (AC A1)

Task 2. Critically analyze the application of financial, cost and management accounting. (AC A2)

Task 3: Critically evaluate the contribution of management information to organisational financial decision making (AC A3)

Task 4: Make an analysis as to organizational budgets to serve as a strategic tool in facilitating financial planning, resource allocation, and performance evaluation. (AC B1)

Task 5. Systematically analysis and explain the integration of budget planning into company's operational and strategic planning processes to contribute achieving long-term strategic objectives while efficiently managing day-to-day operations. In support to deriving flexibility in budget preparation, offer your solution at various business capacities based on following data: (AC B2)

Current capacity of the manufacturing plant	55%
Selling price at 55% capacity	490
Selling price at 65% capacity	525
Selling price at 75% capacity	548
Selling price at 85% capacity	585
Selling price at 100% capacity	605
Selling price at 120% capacity	620
Variable costs at 55% capacity	168
Semi Variable cost at 55% capacity	89
Fixed cost at 55% capacity	56
Semi Variable cost remains constant between 50% to 65%	
Semi Variable cost increases by 15% from 66% to 85%	
Semi Variable cost increases by 25% from 86% to 105%	
Semi Variable cost increases by 35% from 106 % to 125%	
Fixed cost remains constant up to 100%	
Fixed cost increases by 20% above 100%	

Task 6. Evaluate the contribution of budgetary control to the achievement of operational and Strategic objectives. (AC B3)

- i. A company manufactures Product - A and Product -B during the year ending 31st December, it is expected to sell 32,000 kg. of product A and 95,000 kg. of product B at Rs. 40 and Rs. 24 per kg. resp. The direct materials P, Q and R are mixed in the proportion of 6: 3: 1 in the manufacture of product A, Materials Q and R are mixed in the proportion of 2:3.

	Opening Stock	Expected Closing stock	Anticipated cost per Kg.
	kg.	Kg.	Rs.
Material - P	4000	3000	12
Material - Q	3000	6000	10
Material - R	30000	9000	8000
Product - A	3000	1500	
Product - B	4000	4500	
Prepare the Production Budget and Materials Budget showing the expenditure on purchase of materials for the year ending 30th September 2023			

Prepare the Production Budget and Materials Budget showing the expenditure on purchase of materials for the year ending 31st December.

- ii. You are required to prepare a Selling overhead Budget from the estimates given below:
- Salesmen's and dearness Allowance - Commission @ 1% on sales affected
 - Carriage outwards: estimated @ 5% on sales
 - Agents Commission: 10% on sales

The sales during the period were estimated as follows:

(a) Rs. 250,000 including Agent's Sales Rs. 30,000

(b) Rs. 130,000 including Agent's Sales Rs. 20,000

(c) Rs. 3,00,000 including Agent's Sales Rs.12,000

Particulars	Rs.
Advertisement	10000
Salaries of the Sales dept.	25000
Expenses of the Sales dept. (Fixed)	8000
Salesmen's remuneration	16000

Important Instructions

Word Process the assignment using font 'Calibri', size '11 points' and convert the same to PDF document before submission.

An Assignment of approx. 4000 words. The reference list is not included in the word count

Provide proper referencing and all referenced material should be appropriately quoted.

Use the Harvard Referencing System for referencing and provide complete bibliography.

Complete the title page and sign the statement of authenticity in your work submission.

At any cost, plagiarism should not cross more than 5%.

Your answers or evaluations must be based on the fact mentioned in the case.

Please do not use bullets or numbers to attempt the task. Textbook style writing is not appreciated