



# ICM

SEPTEMBER 2015

THE FINANCIAL & COMMERCIAL FRAMEWORK

**Instructions to candidates:**

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
  - b) Answer any FIVE questions
  - c) All questions carry equal marks. Marks for each question are shown in [ ]
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- 1. Companies and individuals typically rely on a number of common sources of finance to fund their projects. Review the main sources of finance. [20]
  - 2. Estimates for labour time can be collected through a variety of methods. Analyse the main approaches available. [20]
  - 3. Explain the concept of the work breakdown structure. Illustrate your answer with an example. [20]
  - 4. Set out the alternative approaches available to a customer, investor or project manager to undertake a financial appraisal of a project. [20]
  - 5. A customer, or project manager, has a number of options for the timing of payments to a contractor. Analyse the main approaches typically used. [20]
  - 6. Logical coding systems have potential advantages for the work of a project manager. They also have their limitations. Analyse the main advantages and disadvantages of using a logical coding system. [20]
  - 7. Explain the conditions necessary for a legally binding contract to exist between a customer and a project manager. [20]
  - 8. Review the typical content of a comprehensive and well-prepared project specification. [20]