# 242810 FORMATIVE ASSESSMENT

Formative assessment SO1 AC 1 – 2

This is a group activity

* Refer to your section or department.
* Draw up a list of expenses you think apply to your section or department
* Develop a zero-based budget on what you think the monthly expenses would be
* Now develop a budget for next year based on forecasting. Use the figures of your zero-based budget as historical data. Increase expenses with between 5% and 10%, and 45% for the electricity.

Formative assessment SO 2 AC 1 – 2

This is an individual activity

Refer to the previous assessment

Determine the elements of the budget for your department or section, based on the previous assessment as well as what you know about your department or section

Identify internal and external constraints on the budget as they exist in your organisation

Discuss your findings in groups

Formative assessment SO3 AC 1 – 2

This is a group assessment

* Discuss monitoring and control of budgets as they apply to your organisation
* Explain how actual expenses are monitored. Is this system effective? What would you do differently?
* What reports are required from your department regarding variances to the budget and what corrective action is usually taken?