

1.) a.)

Project A

Year	Net flow (£)	Cumulative (£)
0	-44,000	~~-44,000~~
1	14,000	-30,000
2	18,000	-12,000
3	24,000	12,000
4	8,000	20,000

$$\frac{24,000}{12} = \text{£ } 2,000 \text{ per month}$$

$$\frac{12,000}{2,000} = 6$$

2 years 6 months

1.1 a)

Project B

Year	Net Flow (£)	Cumulative (£)
0	-33,000	-33,000
1	11,250	-21,750
2	9,750	-12,000
3	12,000	0
4	16,000	16,000

3 years exactly

~~1.1 b) A~~

~~1.1 b) B~~

1.1 b) A

$$\frac{20,000 \text{ Profit}}{44,000 \text{ investment}} \times 100 = 45.45\%$$

$$\frac{45.45}{4} = 11.36 \text{ 11\% Annually}$$

B

$$\frac{16,000 \text{ Profit}}{33,000} \times 100 = 48.48\%$$

$$\frac{48.48}{4} = 12.12$$

12\% Annually

1.) C.)

Year	flow	factor	Value
0	-44,000	1	-44,000
1	14,000	.885	12,390
2	18,000	.783	14,094
3	24,000	.693	16,632
4	8,000	.613	4,904

+ ~~18,000~~

Net Present Value \$4,024

Year	flow A B	factor	Value
0	-33,000	1	-33,000
1	11,250	.885	9,956.25
2	9,750	.783	7,634.25
3	12,000	.693	8,316
4	16,000	.613	9,808

+

NPV \$2712.5

41

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M5X01176

1.) c.) I would select Project B
a smaller investment gets you a
slightly larger return percentage wise.

1.) d.)	Year	flow	factor	value
17%	0	-44,000	1	~~44,000~~ -44,000
	1	14,000	.855	~~11,970~~ 11,970
	2	18,000	.731	~~13,158~~ 13,158
	3	24,000	.624	~~14,976~~ 14,976
	4	8,000	.543	~~4,344~~ 4,344
				<u>1,018</u>

IRR 17%

1.) f.) Initial cost and Potential return ~~and~~
~~return~~ should be considered

5.) a.) There are different types of Sponsorship, like Sponsoring sports teams, events, and individuals. By Sponsoring a sports team an organization ~~that~~ would hope to gain brand awareness within that group, especially with the fans and amateur competitors. By Sponsoring a singular sporting event an organization might want to increase brand awareness but might also want to alter brand image and even make some money. Sponsoring ~~that~~ individuals is another form of Sponsorship where an organization might want to increase brand awareness. Also with each type there is merchandising opportunities.

5.) 6.) To go racing in the British Motocross Championship next year have B needs to have a much title Sponsor for the team. An A.S.O.S.T.A.C. model would be appropriate to make a plan to find a Sponsor. First what position is the team in now? If the results from the past are there that would make the process ~~much~~ easier.

Companies might find a young team on the rise attractive for the argument the team is well established and the Sponsor from last season has gone bust. Where does the team want to go? The team wants to grow to compete with the likes of HRC. How? To show the Sponsor a plan is needed maybe the Sponsor is needed to keep an extensive rider or buy a new CNC machine to make parts in house, or a damper dyno to help with...

5.) b.) ... SUS Pen Stam. We need to be able to explain the details of the strategy to the Sponsor, ~~that~~ for example our bikes suffer in the Suspension Department so we should get a damper dynamometer, to allow for better suspension setup. Putting the plan to work when will the team have the new machines and the equipment and when will the Sponsor see the fruits of their efforts ~~when~~ the evidence will be a championship. Monitoring the situation is the last step of the plan, is the Sponsor working? Is the team making use of the investment, this would most likely be seen in expected race wins and the results. If the plan is not working it needs changed. A potential Sponsor should be identified early on.

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5.) (.) A ~~Sponsorship~~ Sponsorship Arrangement could be just a Logo on the Bike, but can be expanded to merchandising and marketing. Marketing is the team is using the Sponsors Product and doing well that Product would sell more because people want that quality Product. Merchandising wise the team can add that Sponsor to shirts and other merchandise to gain extra revenue and the Sponsor could gain extra Brand awareness.

- 61) a) Forming the team, Finding how
 where and why to run the ~~new~~ team.
 Storming - figuring out conflicts, sorting out
 team members and building camaraderie.
 Norming - settling the team into new positions
 and creating structure to get the job done
 Performing - Especially in motorsports the
 results need to be there and objectives
 need to be completed
 Reflecting - How was the performance?
 What could be done to win next time?

- 61) b.) i.) A leadership style suited for
 this situation would be more Charismatic
 and Democratic to encourage ~~the~~ Creativity
 and increase peoples enthusiasm.

6.) b.) ii.) Arranging Sponsor funding would be best suited for someone who is good working with other people or T+R B Personality would do well here because of the high need for concern for others.

6.) b.) iii.) A more Authoritarian Leader would be ~~the~~ well suited here. There can be no room for error so Lenancy is not ideal. At the same time the team needs to be kept enthusiastic about being here.

6.) c.) After a disappointing Shakedown the team needs motivated to do this for the team Principal could demonstrate the progress that they ~~team~~ have made even though the test wasn't great. Let them see the Big Picture and that they are headed in the right direction. Also get them enthusiastic about improving more.