

4. FINANCIAL PROBABILITY



FINANCIAL MANAGEMENT and SYSTEMS in PLACE

We manage the cost of the construction works with professionalism and transparency, providing the client and the professional team with real time cost updates from start to completion of the project.

We set up the financial control procedures, where we will agree with the client and professional team :

A schedule of valuation and certification dates.

The format for cost reports.

identify with the client's team any cost and programed implications arising from answers to requests for information ■Agree procedures for managing architects instructions and variations

It is essential that all variation control information is issued under one format and we suggest, and have successfully adopted a variation order response form.

The Project Manager will collate all variation response forms issued by the design team on a weekly basis.

Variations are costed and issued prior to works being carried out to ensure that the budget is available for the works, and that the budget has not been exceeded. All forms will be reviewed for the effect on the programed prior to a weekly design team sign off.

The Financial manager will maintain the variation order log, in order. We encourage all instructions to be countersigned by the cost consultant as well as the contract administrator. This ensures that costs are reactively managed rather than simply reported. This interactive system results in on-going agreement of the project cost and provides real-time and estimated final account figures on a weekly basis enabling our objective of the final account being available on practical completion.

In keeping with our "no surprise" approach, our Financial manager will keep the client's project team fully informed by:

Providing a cash flow forecast upon appointment, if Summarizing the final account.

We assist the client's project team with our pro-active approach to Value Engineering. We encourage the design team to review their designs with us. Our experience means that we can offer innovative solutions to design problems or alternative approaches that will benefit the client. These ideas can lead to significant improvements or cost savings.

Our financial management systems are flexible so that we can tailor the reporting style to meet the client's needs. We agree formats for cost reports, valuations and client change orders at the outset of the project.

At the completion of the project, because we have controlled and updated the costs as they arise, our aim is to submit our final accounts on or prior to practical completion, if not agree them within the same time scales.