Stress-Test Liquidity Before the Shortfall

Cash Flow & Treasury | Advanced | 90 minutes (estimate) | CFT-02 and scenarios

Worked numerical schedule

Measure	Value	Unit
Base October cash before new funding	18.00	USD thousands
Base November cash before new funding	16.00	USD thousands
Base December cash before new funding	24.00	USD thousands
Stress October pre-funding cash	-5.00	USD thousands
October constrained additional draw	10.00	USD thousands
Stress October post-funding cash	5.00	USD thousands
Stress November pre-funding cash	20.00	USD thousands
November constrained additional draw	0.00	USD thousands
Stress November post-funding cash	20.00	USD thousands
Stress December pre-funding cash	25.00	USD thousands
December constrained additional draw	0.00	USD thousands
Stress December post-funding cash	25.00	USD thousands
Minimum post-funding buffer headroom	-5.00	USD thousands
Remaining facility after period 3	5.00	USD thousands
Stress cash roll-forward residual	0.00	USD thousands

Interpretation and recommended actions

Base cash closes 18 / 16 / 24. Under combined stress October pre-funding cash is -5; the monthly draw cap permits 10, leaving cash 5 and a 5-unit buffer shortfall. November cash recovers to 20, December to 25, with 5 facility availability left. The facility limit alone would permit enough October funding, but the monthly draw cap does not. Escalate before October payments; confirm any cap amendment, receipt acceleration or approved payment change. A December surplus does not solve October timing.

Scoring rubric - 100 points

Dimension	Points	Awarding guidance
Calculation	40	Base cash 8; combined stress 12; funding constraints 12; shortfall and reconciliation 8.
Interpretation	25	Correct application of the case rules 10; explain the business decision 10; identify evidence or limitations 5.
Controls / audit trail	20	Traceable formulas 8; independent reconciliation 8; explicit units and signs 4.
Communication	15	Decision and numerical headline 5; actions with owners and evidence 5; concise response covering all required deliverables 5.

Award method credit after an isolated arithmetic error rather than repeatedly deducting for it. Equivalent account labels and well-supported alternative recommendations are acceptable. Numerical tolerance is 0.01 in the stated units; no universal passing score is prescribed.

Common mistakes

Adding the full facility limit to cash; forgetting existing drawings; allowing November collections to fund October; ignoring draw caps.

Staged hints

Convert EUR payments before the cash schedule. Calculate cash before funding, constrained draw, then cash after funding. Keep remaining availability nonnegative.

Instructor notes

Prerequisites: CFT-02 and scenarios. Suggested use of the estimated 90 minutes: spend roughly 15% on the lesson and smaller example, 55% on the independent task, 20% on comparing approaches and 10% on the decision discussion. Timing is untested. Ask learners to explain why the numerical check is necessary but not sufficient.

For a simpler class, provide the model structure and work through one driver. For an extension, change one operational assumption and require a new reconciliation and recommendation. Verify the new key before distributing any variant. Open files in the intended spreadsheet application before class. Solutions are learning resources, not secure hiring examinations. Expert review remains pending.