CIMA ETHICAL DILEMMA CASE STUDIES

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‘I’m asked to issue an unrealistically high revenue forecast’

THE DILEMMA

I’m the finance manager of a new firm that’s done well enough to receive an acquisition approach from a big corporation, although our income this quarter has been disappointing. The CFO wants me to issue an unrealistically high revenue forecast. He hopes that the takeover can happen before the inconsistency between it and our actual results becomes clear. I’m unwilling to do so and I feel that whistle-blowing is my only option.

CIMA’S RESPONSE

It’s your duty as a CIMA member not only to issue accurate reports but also to provide forecasts that reflect past performance (see section 300.10 of the code of ethics). First, meet your line manager to raise your concerns. Then put these in writing and seek a formal response. Blowing the whistle is appropriate when it’s in the public interest. This may be your only choice ultimately, but you should try all other options first.

For the code and other online ethics resources, visit www.cimaglobal.com/ethics