



Professional Qualification in BUSINESS MANAGEMENT

Level 4 Diploma

UNIT 2 - FINANCIAL ANALYSIS AND PLANNING

Question 1

Discuss the importance of financial forecasting and planning to a business organisation. (20 marks)

Question 2

- (a) **Explain** the factors that can influence budgets. (8 marks)
- (b) **Discuss** the relationship between business cycles and budgets. (12 marks)

Question 3

- (a) **Explain** why it is important for a business organisation to assess the link between risk and return. (8 marks)
- (b) **Discuss** the usefulness of Financial Performance Indicators (FPIs) to a business organisation. (12 marks)

Question 4

- (a) **Explain** the impact of organisational status on the ability of a business to obtain finance. (8 marks)
- (b) **Discuss** the advantages and disadvantages of different sources of finance for a business. (12 marks)

Question 5

- (a) **Explain** what is meant by strategic financial planning. (8 marks)
- (b) **Discuss** the impact of the business environment on financial analysis and planning. (12 marks)

Past Paper