



Professional Qualification in BUSINESS MANAGEMENT

Level 4 Diploma

UNIT 2 - FINANCIAL ANALYSIS AND PLANNING

Question 1

- (a) Describe the fundamentals of financial information. (8 marks)
- (b) Discuss the benefits of understanding financial information and the implications of not understanding financial information. (12 marks)

Question 2

Discuss the key elements of budget planning techniques. (20 marks)

Question 3

- (a) Explain why it is important to establish an organisation's financial position. (8 marks)
- (b) Discuss the importance of financial ratios to an organisation. (12 marks)

Question 4

- (a) Describe the internal sources of finance available to an organisation. (8 marks)
- (b) Discuss why an organisation might prefer to use internal, rather than external, sources of finance. (12 marks)

Question 5

- (a) Explain how a business could plan for growth. (8 marks)
- (b) Discuss how a business could plan to gain a competitive advantage in the marketplace. (12 marks)