



## Professional Qualification in BUSINESS MANAGEMENT

### Level 4 Diploma

#### UNIT 2 - FINANCIAL ANALYSIS AND PLANNING

##### Question 1

- (a) **Explain** how an organisation that you have studied has benefitted from an understanding of financial information. (8 marks)
- (b) **Discuss** the advantages and disadvantages of different financial techniques that an organisation could use. (12 marks)

##### Question 2

- (a) **Describe** the fundamentals of a budget. (8 marks)
- (b) **Discuss** the various internal and external factors that can influence an organisation's budget. (12 marks)

##### Question 3

- (a) **Explain** the importance of financial statements to an organisation. (8 marks)
- (b) **Discuss** why organisations establish FPIs (Financial Performance Indicators). (12 marks)

##### Question 4

**Discuss** the advantages and disadvantages of different sources of external finance that an organisation could use. (20 marks)

##### Question 5

- (a) **Explain** what is meant by effective strategic financial planning. (8 marks)
- (b) **Discuss** how the business environment can be analysed through a PEST analysis. (12 marks)