



Professional Qualification in BUSINESS MANAGEMENT

Level 4 Diploma

UNIT 2 - FINANCIAL ANALYSIS AND PLANNING

Question 1

- (a) Describe **TWO** pieces of financial information that would be fundamental to the effective management of an organisation. (8 marks)
- (b) Suggest how the presentation of financial information could be improved to make it more easily understood. (12 marks)

Question 2

- (a) Describe **TWO** planning techniques that could be used to ensure the effectiveness of the budget of a private sector organisation. (8 marks)
- (b) Compare and contrast the key factors which could influence the budgets of organisations in the transport sector. (12 marks)

Question 3

Analyse the role that financial statements can play in effectively monitoring the financial position of an organisation operating in the tertiary sector. (20 marks)

Question 4

- (a) Explain why larger organisations often pay lower rates of interest than smaller organisations to borrow funds from financial institutions. (8 marks)
- (b) Compare and contrast the features of TWO different types of borrowing. (12 marks)

Question 5

- (a) Assess the potential impact of the internal structure of an organisation on its financial planning. (8 marks)
- (b) Discuss whether a newly established financial consultancy firm should plan for stability or growth over the next two years. (12 marks)