



Professional Qualification in BUSINESS MANAGEMENT

Level 4 Diploma

UNIT 2 - FINANCIAL ANALYSIS AND PLANNING

Question 1

- (a) **Explain TWO** benefits for a manager of a grocery store of understanding financial information. (8 marks)
- (b) **Suggest** why financial planning is crucial to the success of a grocery business. (12 marks)

Question 2

- (a) **Describe TWO** factors that could influence the budget of a school. (8 marks)
- (b) **Discuss** why the financial statement of a school needs to be clear and transparent. (12 marks)

Question 3

Discuss why it is important to effectively monitor the financial position of a multinational business organisation. (20 marks)

Question 4

- (a) **Assess** the advantages and disadvantages of a small business borrowing funds from friends and family. (8 marks)
- (b) **Discuss** the financial reasons why a business might decide to change from a private to a public limited company. (12 marks)

Question 5

- (a) **Explain** how a business might plan for growth. (8 marks)
- (b) With reference to your answer to Question 5a, **discuss** the financial implications of such a plan. (12 marks)