

Undergraduate Diploma in Business Administration: Intakes February 2025 to January 2026

Assessment Task: Written assignment based on chosen questions	
Module: <i>Financial Analysis</i>	Tuition Centre: 21 Academy Licence Number: 2018-017
Level: Award MQF Level 5	Student Name:
Date:	Student Number:
Assignment Deadline: 14 February 2026	
<p>Task The purpose of this unit is to develop an understanding of a particular topic you will write about which forms part Financial Analysis.</p> <p>Note This assessment provides students with an opportunity to put into practice the relevant provisions in relation to the topic they choose to write about forming part of Financial Analysis.</p> <p>Note You should plan to spend approximately 20 hours researching the assignment question, preparing for and writing the assignment for assessment. The nominal word count for the assignment is 1,200 words. You are expected to use the Harvard referencing style. You are expected to use the Harvard referencing style. Make sure to go through the Assignment Guidelines made available in the course resource centre.</p>	
<p>Choose 1 question from the following:</p> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>☐ Question 1: Using a set of published financial statements from a publicly listed company, perform a critical analysis of how key accounting principles and concepts have been applied in preparing the reports. Focus specifically on the implications of the Accrual Concept, the Prudence Concept, and the Going Concern Concept. Your 1,200-word assignment should:</p> <ul style="list-style-type: none"> Explain how the application of these principles affects the reported figures for profit, assets, and liabilities. Evaluate how the company's chosen accounting policies, particularly regarding depreciation methods or inventory valuation, reflect these principles. <p>Key Areas of Focus should be:</p> <ul style="list-style-type: none"> Accrual Basis vs. Cash Basis: Students must explain how revenue recognition (matching principle) impacts the reported profit figures, often leading to different conclusions than simply tracking cash inflows and outflows. Prudence: The analysis should identify areas where management made conservative estimates (e.g., provisions for bad debts, accelerated depreciation) and how this potentially understates assets and overstates expenses to play it safe. Going Concern: Students must discuss the reliance placed on the assumption that the business will continue to operate, and how auditors signal concerns (or lack thereof) in their reports, which heavily influences external stakeholders like banks. </div> <div style="border: 1px solid black; padding: 5px;"> <p>☐ Question 2: Identify the main internal and external users of accounting information of a business, with special emphasis on the type of information each group requires. Give detailed examples of why the users would require such information, and what limitations, if any, exist in providing such data.</p> </div>	

**Question 3:**

Ratio analysis is an important tool to measure and interpret the success of any business. It allows top management to understand the health of the business, and map strategies for the future.

Outline the following financial ratios, covering in detail how to calculate the ratios, their importance, use and meaning, and the limitations of each of the ratios:

- Acid-Test Ratio
- Asset Turnover Ratio
- Average Inventories Turnover Period
- Average Receivables Settlement Period
- Current Ratio
- Earnings per Share
- Gearing Ratio
- Gross Profit Margin
- Interest cover ratio
- Return on Capital Employed
- Return on Equity

Pass Mark - 50% of all the module's weighted assessment methods.

Total Assignment Weighting - 55%

By submitting I confirm that this assessment is my own work

Mark:

Signature: <main assessor>

Date

Signature: <quality assurance>