



<b>ASSESSMENT 2 BRIEF</b>	
<b>Subject Code and Title</b>	FINA600 Financial Management
<b>Assessment</b>	Case Study Report
<b>Individual/Group</b>	Individual
<b>Length</b>	Up to 3000 words
<b>Learning Outcomes</b>	<p>This assessment addresses the following subject learning outcomes:</p> <ul style="list-style-type: none"><li>a) Apply the key theories and principles of financial management within varying contexts.</li><li>b) Critically evaluate the role and content of each of the four main financial statements as sources of quantitative data, and their impact on business decision making.</li><li>c) Investigate and evaluate the range of issues involved in the different types of funding.</li><li>d) Understand and evaluate budgets and their impact on long and short-term business decisions.</li><li>e) Critically analyse financial statements using effective strategies and apply accountancy information for informed managerial decision-making.</li></ul>
<b>Submission</b>	By 11:59 pm AEST/AEDT Sunday of week 11 (Module 6)
<b>Weighting</b>	50%
<b>Total Marks</b>	50 marks

### **Context**

The purpose of the assignment is to provide you with the opportunity to apply the knowledge and skills acquired in *FINA600 Financial Management*, to a practical task, involving the use of 'real-world' accounting information. This is intended to consolidate your accounting knowledge and skills.

### **Instructions**

The basic requirement is to undertake a general financial analysis, comparing financial position and performance over the two most recent financial years, of an ASX listed company.

The annual report for the chosen company should be available on the company website.



**Note: You are to use the ‘consolidated’ data in conducting your analysis.**

The analysis should consider each of the following financial ratios:

- profitability and market performance
- efficiency,
- liquidity,
- capital structure

**Note: You are only required to look at the most recent financial report. For those ratios which involve averages, you will calculate an average for the most recent year only, the prior year ratio calculation will NOT consider average calculations.**

This assignment will contain two elements:

**1. Schedule(s) of relevant ratios and other useful calculations**

- The detailed calculation of relevant ratios and other useful calculations should be included, as one appendix, prepared using Excel. An example template is provided under the assessment 2 information, *FINA6017 appendix layout - Blank.xls*.
- You will be advised by your facilitator as to which ratios to calculate.
- You are advised to show the formulae used in determining particular ratios and other figures.

**2. A written report**

The written report is the main element of this assessment. A sample template is provided under the assessment 2 information, *FINA6017 Assignment Suggested Layout - Blank.doc*.

The written report should:

- Explain what is revealed by the ratios and other calculations, in the context of the company’s profitability, asset efficiency, liquidity, capital structure, and market performance.
- In particular, any important changes over the two financial years should be identified, discussed and, where possible, explained.
- Provide an overall assessment of whether the company, over the recent financial year, has been better than the previous financial year, in the perspective of existing equity investors (shareholders).

In preparing this report, you should:

- analyse the financial statements of the business;
- identify key ratios and apply ratio analysis;
- argue the case of why the organisation may or may not succeed in the future and what the business should be doing to help it succeed;
- consider the impact of the political and competitive environment on the business;



- discuss relevant ethical considerations when an organisation becomes insolvent;
- include external factors that need to be taken into consideration and the likelihood of a merger or acquisition;
- provide a recommendation, that is, would you invest in this company after your own analysis or under what circumstances would you buy/save the business?

The assignment is to comply with the University's *General Guide for the Presentation of Academic Work*. Please see more information here: [https://laureate-au.blackboard.com/webapps/blackboard/content/listContent.jsp?course\\_id= 20163 1&content\\_id= 2498849 1](https://laureate-au.blackboard.com/webapps/blackboard/content/listContent.jsp?course_id= 20163 1&content_id= 2498849 1)

### Points to consider

- I. You are encouraged to seek and use additional public information about the company from sources, other than the annual report (for example, the internet, journal articles, newspapers, and business magazines).
- II. However, it is NOT envisaged that you will be engaged in extensive research of this nature and it is expected that the annual report will be the primary resource relied upon, in completing the assignment.
- III. You are asked NOT to try and make direct personal contact with the company or its officers (for example by telephone, fax, letter or email), in an attempt to gather further information.
- IV. It is important to note that you must NOT reproduce company promotional material from the annual report or company website and represent it as critical analysis.
- V. You will be provided relevant share price data by your facilitator for the company so that investment ratios (such as a price earnings ratio) can be calculated.
- VI. You may find it useful to consult accounting references, in addition to the prescribed text, which deals with the analysis and interpretation of company financial reports.
- VII. It is essential that you use the appropriate APA 6th referencing style, for citing and referencing research. Please see more information on referencing here: [http://library.laureate.net.au/research\\_skills/referencing](http://library.laureate.net.au/research_skills/referencing)

As this is a Masters-level subject, students are expected to engage with high quality academic journal articles, using the Torrens University Library: <http://library.laureate.net.au>.

Textbooks, Wikipedia and, in general, anything that can be obtained through an open Google search page, are considered supplementary materials, unbecoming of a postgraduate.



**Submission Instructions**

Submit the assessment via the *Assessment* link, in the main navigation menu, in *FIN600*, by the end of week 11.



**Learning Rubric: Assessment 2**

Assessment Attributes	Fail (Unacceptable) 0-49%	Pass (Functional) 50-64%	Credit (Proficient) 65-74%	Distinction (Advanced) 75 -84%	High Distinction (Exceptional) 85-100%
<p><b>Critically evaluates the four main financial statements to provide an overview and description of the company</b></p> <p><b>10%</b></p>	<p>Limited understanding of key concepts required to support discussion.</p> <p>Limited or no description of company’s core business, and details of its different business activities/business segments.</p> <p>Limited or no discussion of the composition of company’s financial resources.</p> <p>Limited or no discussion of the key elements of financial performance reports.</p>	<p>Resembles a recall or summary of key ideas.</p> <p>A satisfactory description of the company’s core business, and details of its different business activities/business segments.</p> <p>A satisfactory discussion of the composition of the company’s financial resources.</p> <p>A satisfactory discussion of the key elements of financial performance reports.</p>	<p>Supports personal opinion and information substantiated by evidence from the research/course materials.</p> <p>A good description of company’s core business, and details of its different business activities/business segments.</p> <p>A good discussion of the composition of the company’s financial resources.</p> <p>A good discussion of key elements of the financial performance reports.</p>	<p>Discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading.</p> <p>A very good description of the company’s core business, and details of its different business activities/business segments.</p> <p>A very good discussion of the composition of company’s financial resources.</p> <p>A very good discussion of key elements of the</p>	<p>Systematically and critically discriminates between assertion of personal opinion and information substantiated by robust evidence from the research/course materials and extended reading.</p> <p>Excellent description of the company’s core business, and details of its different business activities/business segments.</p> <p>Excellent discussion of the composition of company’s financial resources.</p> <p>Excellent discussion of key elements of the</p>



				financial performance reports.	financial performance reports.
<p><b>Critically analyses and calculates ratio using effective strategies and application of accountancy information</b></p> <p><b>30%</b></p>	<p>Ratio calculations have not been attempted or are incorrect.</p> <p>Analysis of ratio results is non-existent or is merely describing the result of the ratio calculated.</p>	<p>Some ratio calculations are completed but not all.</p> <p>Fairly analyses and provides a definition of the ratio rather than a description about what the ratio result reveals about the company.</p>	<p>Most of the ratio calculations are completed and excel spreadsheet is submitted.</p> <p>Adequately analyses and provides a sound description of what some of the ratio results are revealing about the company.</p>	<p>Ratio calculations are completed and excel spreadsheet is submitted.</p> <p>Thoroughly analysis and provides a very good description of what some of the ratio results reveal about the company, referring to some information provided by CEO and Directors' reports, as well as other external sources.</p> <p>Key movements in some ratios are highlighted and discussed.</p>	<p>Ratio calculations are completed and excel spreadsheet is submitted.</p> <p>Critically analyses and provides an excellent description of what the ratio results reveal about the company, referring to information provided by CEO and Directors' reports, as well as other external sources.</p> <p>Key movements in ratios are highlighted and discussed. Comparisons are also made, to peers in the industry.</p>
<p><b>Predicts conclusions and recommendations for informed</b></p>	<p>The points required are not addressed and no real opinion is provided.</p>	<p>The commentary is fairly evaluated with reproduction of some</p>	<p>The commentary is adequately evaluated not simply a</p>	<p>The commentary is thoroughly evaluated and not a reproduction</p>	<p>The commentary is critically evaluated, and not a reproduction</p>



<p><b>managerial decision-making</b></p> <p><b>30%</b></p>		<p>component of the company's publicity.</p> <p>A brief conclusion of the company performance and position is provided.</p> <p>Some of the key points are addressed in the <i>Recommendation</i> section</p>	<p>reproduction of the company's publicity.</p> <p>A sound conclusion of the company and its investment potential is made.</p> <p>Most of the key points are satisfactorily addressed in the <i>Recommendation</i> section.</p>	<p>of the company's publicity.</p> <p>The written report has very good recommendations, based on evidence that details which areas of the company's performance and structure are improving, and which areas are becoming weaker, all relating back to the ratio results.</p> <p>Very good overall assessment of the company, with an investment view/opinion provided.</p> <p>All the key points are very well addressed in the <i>Recommendation</i> section.</p>	<p>of the company's publicity.</p> <p>The written report has excellent recommendations, based on evidence that details which areas of the company's performance and structure are improving, and which areas are becoming weaker, all relating back to the ratio results.</p> <p>Excellent overall assessment of the company, with an investment view/opinion provided.</p> <p>All the key points are expertly addressed in the <i>Recommendation</i> section.</p>
	<p>Report structure/format was</p>	<p>Report structure/format was</p>	<p>Report structure/format was professional,</p>	<p>Report structure/format was</p>	<p>Report structure/format was</p>



<p><b>Logical and Compelling Report Structure</b></p> <p><b>20%</b></p>	<p>not consistent with Industry practices/standards</p> <p><i>Report</i> components were not adequately identified.</p> <p>The report was poorly organised.</p> <p>Developed ideas/recommendations with poor examples, data, and/or experiences.</p> <p>Poorly constructed <i>Reference List</i> and/or not meeting the APA guidelines for referencing.</p>	<p>professional and original and was adequately consistent with Industry practices/standards</p> <p>Some <i>Report</i> components were identified.</p> <p>The report was sufficiently well organised.</p> <p>Developed ideas/recommendations with adequate examples, data, and/or experiences.</p> <p><i>Reference List</i> provided and a variety of sources accessed in research meeting APA guidelines for referencing.</p>	<p>original and consistent with Industry practices/standards</p> <p><i>Report</i> components were adequately identified.</p> <p>The report was well organised from beginning to end.</p> <p>Developed specific ideas/recommendations with good supporting examples, data, and/or experiences.</p> <p>A correctly constructed <i>Reference List</i> provided and a variety of sources accessed in research meeting APA guidelines for referencing.</p>	<p>very professional, original and consistent with Industry practices/standards</p> <p>All <i>Report</i> components were correctly identified.</p> <p>The report was very well organised and orderly from beginning to end.</p> <p>Developed specific ideas/recommendations in depth with appropriate supporting examples, data, and/or experiences.</p> <p>A correctly constructed <i>Reference List</i> provided and in-report citations of sources provided and a variety of sources accessed in research meeting APA guidelines for referencing.</p>	<p>highly professional, original and consistent with Industry practices/standards.</p> <p>All <i>Report</i> components were clearly and correctly identified.</p> <p>The report was expertly organised and orderly from beginning to end.</p> <p>Developed specific ideas/recommendations in depth with strong and appropriate supporting examples, data, and/or experiences.</p> <p>A well-constructed <i>Reference List</i> provided and in-report Citations of sources provided and a wide variety of sources accessed in research meeting APA</p>
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					guidelines for referencing.
<b>Research 10%</b>	Demonstrates inconsistent use of good-quality, credible and relevant resources to support and develop ideas.	Demonstrates use of credible and relevant resources to support and develop ideas, but these are not always explicit or well-developed.	Demonstrates use of high-quality, credible and relevant resources, to support and develop ideas.	Demonstrates use of good-quality, credible and relevant resources to support and develop arguments and statements. Shows evidence of wide scope within the organisation for sourcing evidence.	Demonstrates use of high-quality, credible and relevant resources to support and develop arguments and position statements. Shows evidence of wide scope within and without the organisation for sourcing evidence.