

Federation Business School

BUACC1508: Principles of Accounting and Finance

Assessment Task #2 - Company Analysis Assignment

Contribution to overall assessment: 30%

Description:

Assessment Task #2: Company Analysis Business Report

Due Date: 5:00pm, Friday, 17 May, 2024 (end of week 10)

Percentage of Final Grade: 30% of the overall grade for the unit.

Total word limit: 2,500 words (plus or minus 10%).

You are required to complete the following:

Review Topic 8 (Chapter 12 of the prescribed textbook), and:

- Be able to calculate financial ratios
- Understand the meaning of each financial ratio, and
- Understand and be able to use financial ratios to assess a company's financial performance, financial position, and marketing performance.

Assignment description:

Choose a ONE of the companies listed below and review their financial statements from their annual reports for 2022 and 2023.

Choose any ONE of the following five companies as your target company:

1. Coles Group Limited
2. Harvey Norman Holdings Limited
3. Kogan.com
4. Qantas Airways Limited
5. Telstra Corporation Ltd

The Annual Reports for these companies (Financial Years 2022 and 2023) are provided in a separate file in Moodle.

You are required to calculate and analyse all relevant ratios for a two-year period (Financial Year 2022 to 2023). Analyse the changes in the following ratios of the company based on your two-year calculations:

1. Profitability ratios
2. Efficiency ratios
3. Liquidity ratios
4. Capital structure ratios
5. Market performance ratios

To enable a comprehensive analysis of your selected company, there will be additional relevant information including, but not limited to, performance of, and the existence of competitors, regulatory factors, and/or environmental factors, influencing your company. When undertaking your company research, you may utilise financial press (such as The Age or Financial Review).

It should be noted appropriate business sites do not include sources such as Wikipedia, Investopedia, MyAccountingCourse, or similar. These sites are not regarded as appropriate academic sources.

A minimum of five references (i.e., financial press/media reports or journals or textbooks) must be incorporated into your business report discussion. You are encouraged to use more than five to support your discussion where required.

Writing up a business report and submitting the group assignment

Your report must adhere to the structure set out below.

Title Page

The title page should be the first page of your report. Your title or cover page needs to convey the main information about your assignment. It must look professional and include:

- The Unit Code and Name.
- The Business report title “Analysis and interpretation of the performance of (name of company you selected)”.
- Name of the Unit Coordinator and of your lecturer.
- Semester, year and date of submission.
- Your group member/s, the full names and Students ID of each member.

Executive Summary (suggested maximum 250 words)

The Executive Summary should give an overview of your report to a busy executive who does not have time to read it in full. It should contain a concise discussion of:

- Summary of key themes, ideas or findings (sub-headings may be used)
- Provide abridged recommendations.

Introduction and Company Overview (suggested maximum 250 words)

- The purpose of the assignment.
- Describe the background of the company.

Financial Ratio Analysis (suggested maximum 1,500 words)

You are required to use the financial ratios to analyse your selected company for two years (Year 2022 and 2023) and discuss the following main areas of analysis from the company's Consolidated Financial Statements:

1. Profitability ratios
2. Efficiency ratios
3. Liquidity ratios
4. Capital structure ratios
5. Market performance ratios

Remember to take all ratios where appropriate to two decimal places: i.e., ROA 8.15% NOT 8%.

You need to analyse whether the changes of your selected company's financial position (balance sheet) and performance (income statement) are caused by external factors such as regulatory changes, increased market competition, changes of consumer preferences, foreign exchange fluctuation, or other relevant events, especially when there are significant changes in performance (Hint: You might find this information from Director's report or media reports).

Conclusion and Recommendations (suggested maximum 500 words)

- Provide a summary of the major points and key findings as discussed in the body of the report.
- Provide recommendations regarding your investment decisions. (Hint: Your recommendations should be directed towards both the internal management/directors of the company and also existing and potential external equity investors.)
- The conclusion should always be concise and must not contain any new information. It should not require a substantial number of words to draw information together and summarise what you have found.
- Your recommendations are the culmination of all your work and should deliver a well-rounded and thoughtful ending to your research. The material in the body of your report provides the basis for your considerations. The conclusion provides a summary of your deliberation over your findings. The recommendations provide the reader with your considered opinions of what would be the best decision(s) to make, based on your research and critical analysis.

Appendices

- The Appendix section must contain the summary of results of your ratio calculations.
- Please attach your actual ratio calculations and workings in the Appendix.

References

- Any materials used in this assignment must be acknowledged and appropriately referenced.
- Please use the APA referencing style:
<https://federation.edu.au/library/student-resources/fedciteresources/fedcite>
- The words in the Appendixes and references are not included as part of the final word count.

Additional Information

This is to be presented as a business report and therefore use appropriate sub-headings throughout your business report.

Each page of the report should be numbered.

You can use figures or tables to exhibit the trend change of your selected company's financial ratios. If figures are used, you need to discuss and analyse the figures.

Figures or tables should be numbered sequentially, given appropriate captions and placed in the main body of your business report at suitable points.

Submission Instructions:

- This assignment is to be submitted online via this Moodle shell.
- You may have a group of two students (no more than this number is allowed) or complete this assessment task individually. In either instance the marking is applied uniformly for each student, per assessment task.
- You are NOT required to upload an Assignment Cover Sheet. You are required to complete an Assignment Plagiarism declaration when you submit your assignment. (Assignment Plagiarism declaration is placed below “Individual Assignment Submission” Tab).
- The completed assignment (in either a MSWord or PDF format) must be submitted into Assessment Task 2 Assignment Dropbox on Moodle on or before the DUE DATE.
- Please refer to the rubric for a guidance on the marking structure.

Important Notes:

The assignment for BUACC1508 is to be presented in accordance with the University's General Guide to Writing and Academic Skills. To assist students in achieving the required standard, please read through the following statements.

Writing and Academic Skills: This assignment is to comply with Federation University's Study Skills Guides on Writing, Citing and Referencing, and Layout and Formatting.

Plagiarism: Students must fully reference the relevant sources of all materials (i.e., textbooks, journals, newspapers, or internet, etc), even if you have re-expressed the idea, facts, or descriptions, and not submit their work that has been researched and written by another person. Plagiarism and collusion are forms of cheating and are considered a serious academic misconduct, and severe penalties are associated with them. Please refer to the University policy for more information.

Penalties for late submission: The marking penalties will apply, in keeping with the University requirements, if you submit an assessment task after the due date without an approved extension.

Requests for extension of time must be made with the lecturer concerned and based on Special Consideration guidelines. For further information on Discretionary Assessment Extensions and Special Consideration, including access to the policy, procedures or associated forms, see University policy.