

Assessment 1: Performance and ratio analysis and insights

Assessment overview

In this assessment you will examine a company's set of financial statements. Using this information, you will then conduct financial analysis on the firm and one of its competitors. You will use information uncovered in the financial analysis to write a report describing the historical position and performance of the organization compared to a competitor. Using your knowledge of the firm's financial position, you will conclude by discussing your expectations of future performance for the firm relative to their competitor.

This assignment assesses the following subject learning objectives:

3. Apply financial ratios for purposes of understanding and synthesising business position and performance.

Assessment details

1. Choose one of the following companies to analyse. Qantas (QAN), Woolworths (WOW), Sydney Airport (SYD), or Crown Resorts (CWN).
2. Find and access the most recent five years of the company's annual reports. Using the five years of information contained in the financial statements, conduct a ratio analysis of your firm.
3. Identify your selected company's most similar ASX listed competitor. Find and access the most recent two years of annual reports of the competitor and conduct a ratio analysis.
4. Utilising your financial ratio analysis, write a business report discussing the historical position and performance of your selected company over the period. In your report, evaluate how your selected company's performance has compared relative to their competitor. Based on your understanding of the data, explain in which areas the company appears to be the most successful, or least successful relative to their competitor. Finally, based on your understanding of the ratio analysis, and its limitations, explain how you expect your selected company to perform over the next 12 months, and discuss whether you believe it is likely to outperform their competitor firm.
5. At the end of your written report, please include a reference list, and an appendix with your financial ratio calculations (a screenshot or pasted from a spreadsheet is fine). Your report should be submitted as a Word or PDF using the Turnitin link available on canvas.

Notes:

You may use any of the financial ratios we have discussed in class to date. You may incorporate non-financial performance measures in your discussion including

information sourced outside of the annual reports if you think it relevant to constructing your arguments. Finally, please be sure to include reasoning and argumentation in your reports, and not only ratio calculations.

There is no formal word-count. However, concise writing, and focusing your report on interesting aspects of the business is valued. Graphs and figures are a great way to illustrate financial ratio trends (a picture tells a thousand words).

Assignment 1 Rubric (1)

Criteria	Ratings	Pts
<p>This criterion is linked to a Learning Outcome Horizontal and Vertical Analysis</p> <p>Find and access the most recent five years of the company's annual reports. Using the five years of information contained in the financial statements, conduct a ratio analysis of your firm.</p>		10 pts
<p>This criterion is linked to a Learning Outcome Profitability and efficiency ratios</p>		10 pts
<p>This criterion is linked to a Learning Outcome Liquidity and capital structure ratios</p>		10 pts
<p>This criterion is linked to a Learning Outcome Market performance ratios</p>		5 pts
<p>This criterion is linked to a Learning Outcome DuPont Analysis</p>		5 pts
<p>This criterion is linked to a Learning Outcome Competitor ratios</p> <p>Identify your selected company's most similar ASX listed competitor. Find and access the most recent two years of annual reports of the competitor and conduct a ratio analysis.</p>		10 pts
<p>This criterion is linked to a Learning Outcome Evaluation of performance and comparison between firms</p>		20 pts

<p>In your report, evaluate how your selected company's performance has compared relative to their competitor. Based on your understanding of the data, explain in which areas the company appears to be the most successful, or least successful relative to their competitor.</p>		
<p>This criterion is linked to a Learning Outcome Forecasting</p> <p>Finally, based on your understanding of the ratio analysis, and its limitations, explain how you expect your selected company to perform over the next 12 months, and discuss whether you believe it is likely to outperform their competitor firm.</p>		10 pts
<p>This criterion is linked to a Learning Outcome Reference and appendix</p> <p>At the end of your written report, please include a reference list, and an appendix with your financial ratio calculations (a screenshot or pasted from a spreadsheet is fine).</p>		10 pts
<p>This criterion is linked to a Learning Outcome Quality of report</p>		10 pts
<p>Total Points: 100</p>		