<table>
<thead>
<tr>
<th>TSC Category</th>
<th>Investment and Financial Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>TSC</td>
<td>Financial Analysis</td>
</tr>
<tr>
<td>TSC Description</td>
<td>Evaluate organisations’ profitability and financial health through analysing its financial reports to determine its performance and investment suitability</td>
</tr>
</tbody>
</table>

### TSC Proficiency Description

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
<th>Level 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSE-FIN-3024-1.1</td>
<td>FSE-FIN-4024-1.1</td>
<td>FSE-FIN-5024-1.1</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TSC Proficiency Description**

- **Level 1**: Analyse financial report data using key financial health indicators.
- **Level 2**: Evaluate organisations’ financial performance and position.
- **Level 3**: Review financial analyses conducted and endorse methodologies.

#### Knowledge

- Revenue recognition and accrual
- Expense recognition
- Key components of income statement and balance sheet
- Earnings Per Share (EPS) calculations
- Cash flow analysis
- Application of financial ratio analysis
- Financial ratio analysis
- Approaches to prepare projections of organisations’ future net income and cash flows
- Cash flow analysis
- Financial ratio analysis
- Financial calculations methodologies used across the financial services industry
- Cash flow analysis
- Considerations in evaluating organisations’ past financial performance
- Financial projection, cash flow trends and profitability concepts
- Considerations in evaluating investment returns
- Strengths and weaknesses in organisational performance relative to relevant leading practices

#### Abilities

- Calculate organisations’ cash flow
- Identify and explain sources of risk from financial reports
- Calculate organisations’ revenue using
- Evaluate organisations’ cash flow quality
- Explain how organisations can create a competitive advantage over their competitors
- Evaluate organisations’ financial performance
- Outline the process of financial statement analysis
- Review financial analysis conducted and determine state of organisations’ financial health
<table>
<thead>
<tr>
<th>Technical Skills</th>
<th>Competencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculate appropriate revenue recognition methods</td>
<td>and position based on key indicators and ratios identified</td>
</tr>
<tr>
<td>• Calculate organisations’ earnings per share</td>
<td>• Develop recommendations on investment suitability of organisations based on financial health analysis</td>
</tr>
<tr>
<td>• Identify organisations’ competitive advantage over competitors</td>
<td>• Define indices for qualifying investment suitability based on financial health indicators</td>
</tr>
<tr>
<td>• Calculate key financial ratios</td>
<td></td>
</tr>
</tbody>
</table>