



Assessment Details and Submission Guidelines	
Trimester	T1 2019
Unit Code	HI5020
Unit Title	Corporate Accounting
Assessment Type	Group Assignment
Assessment Title	Issues in Cash Flow Statement
Purpose of the assessment (with ULO Mapping)	This assignment aims at developing a clear understanding of students on cash flows statement and use of cash flow statement to comprehend different key business decisions taken by the management. They will have to consult relevant literature and demonstrate understanding of key concepts. As part of their assignment, they will also conduct a minor empirical analysis on cash flow statement. (ULO 1, 2, 4, 5, 6, 7)
Weight	30 % of the total assessments
Total Marks	30
Word limit	3,000 words ± 500 words
Due Date	<p>Group Formation: Registration of groups/Submission of group member's name: before 5:00 pm Friday, Week 6. Please form the group and submit the name and ID of your group members to your lecturer in the class before 5:00 pm Friday, Week 6. There should be minimum 2 and maximum 5 members in a group.</p> <p>Assignment submission: Final Submission of Group Assignment: 11:59 pm Friday, Week 10</p> <p>Late submission incurs penalties of five (5) % of the assessment value per calendar day unless an extension and/or special consideration has been granted by the lecturer prior to the assessment deadline.</p>
Submission Guidelines	<ul style="list-style-type: none"> • All work must be submitted on Blackboard by the due date along with a completed Assignment Cover Page. • The assignment must be in MS Word format, no spacing, 12-pt Arial font and 2 cm margins on all four sides of your page with appropriate section headings and page numbers. • Reference sources must be cited in the text of the report, and listed appropriately at the end in a reference list using Harvard referencing style.

Assignment Specifications

Purpose:

This assignment aims at developing a clear understanding of students on cash flows statement and use of cash flow statement to comprehend different key business decisions taken by the management. They will have to consult relevant literature and demonstrate understanding of key concepts. As part of their assignment, they will also conduct a minor empirical analysis on cash flow statement.

Assessment task:

Part A

Do the relevant research to critically examine the relative information content of income statement and statement of cash flows. Why do investors find both income statement and statement of cash flows useful?

Part B

Appendix A, B, and C contain cash-flow statements from three companies. Each cash-flow statement has **Three** years of data. Examine the contents of these cash-flow statements carefully. Answer the following questions about each of the three cash-flow statements.

1. For *each* of the three years on the Statement of Cash Flows:
 - a) What are the major sources of cash for each firm? What are the major uses of cash for each firm?
 - b) What was the trend in cash flow from (continuing) operations for each firm?
 - c) Was cash flow from operations greater than or less than net income? Explain in detail the major reasons for the difference between these two figures. **(Answer this question using only Appendix B: Cash flow statement for BHP Limited).**
 - d) Was the firm able to generate enough cash from operations to pay for all of its capital expenditures?
 - e) Did the cash flow from operations cover both the capital expenditures and the dividend payments made by the firm (if any)?
 - f) If the firm has generated excess cash from operations, how did the firm invest the excess cash? If not, what were the sources of cash the firm used to pay for the capital expenditures and/or dividends?
 - g) Did the firm use the working capital (current asset and current liability) accounts other than cash and cash equivalents as sources of cash, or uses of cash? **(Answer this question using only Appendix B: Cash flow statement for BHP Limited).**
 - h) What other major items affected cash flows?
 - i) What was the trend in capital expenditures for each firm?
 - j) What was the trend in dividends (if any) for each firm?
 - k) What was the trend in net borrowing (proceeds from borrowing less payments of short- and long-term debt) for each firm?
 - l) What was the trend in working capital accounts? **(Answer this question using only Appendix B: Cash flow statement for BHP Limited).**

2. Critically evaluate the financial strength of each of the three companies based on the evidence presented in the Statement of Cash Flows.

3. If you are asked to evaluate these three companies for lending purposes, which of the three companies you will select for lending? Explain Why.

Appendix A: Funtastic Limited, Consolidated Cash Flow Statement for the year ended 30 June 2018

	2018	2017	2016
Cash Flows from Operating Activities	AU\$000	AU\$000	AU\$000
Receipts from customers	46,463	61,731	94,773
Payments to suppliers and employees	(54,777)	(60,897)	(98,145)
Cash (utilised)/generated from operations	(8,314)	834	(3,372)
Income taxes refunded/(paid)	49	(25)	(163)
Interest and other costs of finance paid	(1,917)	(3,559)	(3,794)
Net cash outflow from operating activities	(10,182)	(2,750)	(7,329)
Cash flows from investing activities			
Interest and other investment income received	2	439	651
Payments for plant and equipment	(145)	(888)	(884)
Payments for other intangible assets	(281)	(540)	(325)
Proceeds from sale of international subsidiary	126	-	-
Net cash outflow from investing activities	(298)	(989)	(558)
Cash flows from financing activities			
Proceeds from borrowings	2,630	3,647	7,457
Repayment of commercial bills	-	-	(1,000)
Proceeds from share issue	8,355	-	1,111
Costs from share issue	(438)	-	-
Net cash inflow from financing activities	10,547	3,647	7,568
Net increase/(decrease) in Cash Held	67	(92)	(319)
Cash and cash equivalents at the beginning of the year	664	764	904
Effects of exchange rate changes on the balance of cash held in foreign currencies	(13)	(8)	179
Cash and cash equivalents at the end of the year	718	664	764

Appendix B: BHP Limited, Consolidated Cash Flow Statement for the year ended 30 June 2018

	2018	2017	2016
	US\$M	US\$M	US\$M
		Restated	Restated
Operating activities			
Profit before taxation	14,751	11,137	1,791
Adjustments for:			
Depreciation and amortisation expense	6,288	6,184	6,210
Impairments of property, plant and equipment, financial assets and intangibles	333	193	186
Net finance costs	1,245	1,417	1,013
(Profit)/loss from equity accounted investments, related impairments and expenses	(147)	(272)	2,104
Other	597	194	467
Changes in assets and liabilities:			
Trade and other receivables	(662)	267	1,387
Inventories	(182)	(687)	521
Trade and other payables	719	512	(1,272)
Provisions and other assets and liabilities	7	(333)	(316)
Cash generated from operations	22,949	18,612	12,091

Dividends received	709	636	301
Interest received	290	164	128
Interest paid	(1,177)	(1,148)	(829)
Settlement of cash management related instruments	(292)	(140)	–
Net income tax and royalty-related taxation refunded	17	337	435
Net income tax and royalty-related taxation paid	(4,935)	(2,585)	(2,286)
Net operating cash flows from Continuing operations	17,561	15,876	9,840
Net operating cash flows from Discontinued operations	900	928	785
Net operating cash flows	18,461	16,804	10,625
Investing activities			
Purchases of property, plant and equipment	(4,979)	(3,697)	(5,707)
Exploration expenditure	(874)	(966)	(752)
Exploration expenditure expensed and included in operating cash flows	641	610	419
Net investment and funding of equity accounted investments	204	(234)	(217)
Proceeds from sale of assets	89	529	93
Proceeds from divestment of subsidiaries, operations and joint operations, net of their cash	34	– 187	166
Other investing	(141)	(153)	(20)
Net investing cash flows from Continuing operations	(5,060)	(3,724)	(6,018)
Net investing cash flows from Discontinued operations	(861)	(437)	(1,227)
Net investing cash flows	(5,921)	(4,161)	(7,245)
Financing activities			
Proceeds from interest bearing liabilities	528	1,577	7,239
(Settlements)/proceeds from debt related instruments	(218)	36	156
Repayment of interest bearing liabilities	(4,188)	(7,114)	(2,781)
Purchase of shares by Employee Share Ownership Plan (ESOP) Trusts	(171)	(108)	(106)
Dividends paid	(5,220)	(2,921)	(4,130)
Dividends paid to non-controlling interests	(1,582)	(575)	(62)
Net financing cash flows from Continuing operations	(10,851)	(9,105)	316
Net financing cash flows from Discontinued operations	(40)	(28)	(32)
Net financing cash flows	(10,891)	(9,133)	284
Net increase in cash and cash equivalents from Continuing operations	1,650	3,047	4,138
Net (decrease)/increase in cash and cash equivalents from Discontinued operations	(1)	463	(474)
Cash and cash equivalents, net of overdrafts, at the beginning of the financial year	14,108	10,276	6,613
Foreign currency exchange rate changes on cash and cash equivalents	56	322	(1)
Cash and cash equivalents, net of overdrafts, at the end of the financial year	15,813	14,108	10,276

Appendix C: Santos Limited, Consolidated Cash Flow Statement for the year ended 31 December 2018

	2018 US\$M	2017 US\$M	2016 US\$M
Cash flows from operating activities			
Receipts from customers	3,740	3,217	2,708
Dividends received	6	12	12
Pipeline tariffs and other receipts	106	66	60
Payments to suppliers and employees	(1,816)	(1,611)	(1,600)
Restoration expenditure	(36)	(37)	(17)
Exploration and evaluation seismic and studies	(98)	(71)	(68)
Royalty and excise paid	(85)	(57)	(34)
Borrowing costs paid	(194)	(254)	(226)
Income taxes paid	(69)	(28)	(17)
Royalty-related taxes paid	(13)	(15)	(4)
Other operating activities	37	26	26
Net cash provided by operating activities	1,578	1,248	840
Cash flows from investing activities			
Exploration and evaluation assets	(66)	(146)	(128)
Oil and gas assets	(490)	(483)	(500)
Other land, buildings, plant and equipment	(10)	(5)	(4)
Acquisitions of oil and gas assets	(10)	(49)	(18)
Proceeds from disposal of non-current assets	26	145	447
Acquisition of subsidiary, net of cash acquired	(1,933)	-	-
Costs associated with acquisition of subsidiaries	(10)	-	-
Proceeds from disposal of subsidiaries	126	-	
Borrowing costs paid	(6)	(6)	(20)
Other investing activities	-	10	18
Net cash used in investing activities	(2,373)	(534)	(205)
Cash flows from financing activities			
Dividends paid	(73)	-	(43)
Drawdown of borrowings	1,193	783	-
Repayment of borrowings	(220)	(2,442)	(147)
Net proceeds from issues of ordinary shares	-	149	733
Purchase of shares on-market (Treasury shares)	(10)	(8)	
Net cash provided by/(used in) financing activities	890	(1,518)	543
Net increase/(decrease) in cash and cash equivalents	95	(804)	1,178
Cash and cash equivalents at the beginning of the period	1,231	2,026	839
Effects of exchange rate changes on the balances of cash held in foreign currencies	(10)	9	9
Cash and cash equivalents at the end of the period	1,316	1,231	2,026

Assignment Structure should be as the following:**Abstract** - One paragraph**List of Content****Introduction****Body of the assignment with detailed answer on each of the required tasks****Summary/Conclusion****List of references**

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Marking criteria

Marking criteria	Weighting
Abstract	1%
List of content & overall presentation of the assignment	1%
Introduction	1%
Do the relevant research to critically examine the relative information content of income statement and statement of cash flows. Why do investors find both income statement and statement of cash flows useful?	5%
What are the major sources of cash for each firm? What are the major uses of cash for each firm?	1%
What was the trend in cash flow from (continuing) operations for each firm?	1%
Was cash flow from operations greater than or less than net income? Explain in detail the major reasons for the difference between these two figures. (Answer this question using only Appendix B: Cash flow statement for BHP Limited).	1%
Was the firm able to generate enough cash from operations to pay for all of its capital expenditures?	1%
Did the cash flow from operations cover both the capital expenditures and the dividend payments made by the firm (if any)?	1%
If the firm has generated excess cash from operations, how did the firm invest the excess cash? If not, what were the sources of cash the firm used to pay for the capital expenditures and/or dividends?	1%
Did the firm use the working capital (current asset and current liability) accounts other than cash and cash equivalents as sources of cash, or uses of cash? (Answer this question using only Appendix B: Cash flow statement for BHP Limited).	2%
What other major items affected cash flows?	1%
What was the trend in capital expenditures for each firm?	1%
What was the trend in dividends (if any) for each firm?	1%
What was the trend in net borrowing (proceeds from borrowing less payments of short- and long-term debt)?	1%
What was the trend in working capital accounts? (Answer this question using only Appendix B: Cash flow statement for BHP Limited).	1%
Critically evaluate the financial strength of each of the three companies based on the evidence presented in the Statement of Cash Flows.	5%
If you are asked to evaluate these three companies for lending purposes, which of the three companies you will select for lending? Explain Why.	2%
Conclusion	1%
References	1%
TOTAL Weight	30%

Marking Rubric

	Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Do the relevant research to critically examine the relative information content of income statement and statement of cash flows. Why do investors find both income statement and statement of cash flows useful?	<p>Demonstrate outstanding knowledge beyond requirements on the topic.</p> <p>Extensive relevant research</p> <p>Independent and in-depth analysis.</p> <p>Issues and factors are presented and analyzed in a logical manner.</p> <p>Broad and credible sources of references have been cited using proper referencing style.</p>	<p>Demonstrate very good knowledge on the topic.</p> <p>Substantial relevant research.</p> <p>Issues are discussed adequately based on sufficient research.</p> <p>Adequate references in proper referencing style.</p>	<p>Demonstrate good knowledge on the topic.</p> <p>Adequate relevant research.</p> <p>Discussed the issue based on some research and facts.</p> <p>Scopes for improvement remain.</p> <p>Adequate references in proper referencing style.</p>	<p>Demonstrate basic knowledge on the topic.</p> <p>Some relevant research.</p> <p>Meet the requirements but with limited information and discussion.</p> <p>Limited references.</p>	<p>Demonstrate poor knowledge on the topic.</p> <p>Limited and/or no relevant research.</p> <p>The answers do not meet the basic requirement as no factual discussion is provided.</p> <p>No reference.</p>
What are the major sources of cash for each firm? What are the major uses of cash for each firm?	<p>Major sources of cash and major uses of cash are identified and discussed in detail.</p>	<p>Major sources of cash and uses of cash are identified.</p> <p>Detailed discussion is provided with minor errors.</p>	<p>Major sources of cash and uses of cash are identified with minor errors.</p> <p>Basic discussions is attempted with minor errors.</p>	<p>Major sources of cash and uses of cash are identified with material errors.</p> <p>Basic discussions is attempted with material errors.</p>	<p>No clear attempt is made to identify the major sources of cash and uses of cash.</p> <p>No discussion is provided.</p>
What was the trend in cash flow from (continuing) operations for each firm?	<p>Trends in the cash flows from continuing operations are identified and discussed adequately.</p> <p>Demonstrate outstanding knowledge beyond requirements on the topic.</p> <p>Independent and in-depth analysis.</p> <p>Issues and factors are presented and analyzed in a logical manner.</p>	<p>Trends in the cash flows from continuing operations are identified.</p> <p>Discussion is not comprehensive.</p> <p>Demonstrate very good knowledge on the topic.</p> <p>Issues are discussed adequately based on sufficient research.</p>	<p>Trends in the cash flows from continuing operations are identified with minor errors.</p> <p>Basic discussion has been provided with minor errors.</p> <p>Demonstrate good knowledge on the topic.</p>	<p>Trends in the cash flows from continuing operations are identified with material errors.</p> <p>No discussion is provided.</p> <p>Demonstrate basic knowledge on the topic.</p> <p>Meet the requirements but with limited information and discussion.</p>	<p>No realistic attempt is made to identify the trend.</p> <p>No discussion is provided.</p> <p>Demonstrate poor knowledge on the topic.</p>

<p>Was cash flow from operations greater than or less than net income? Explain in detail the major reasons for the difference between these two figures. (Answer this question using only Appendix B: Cash flow statement for BHP Limited).</p>	<p>Shows a complete comprehension of the relationship between net income and cash flows from operations.</p> <p>The reasons for the differences between these two figures are identified and discussed in detail.</p>	<p>The relationship between net income and cash flows from operations are explained.</p> <p>The reasons for the differences between these two figures are identified and discussed with minor errors.</p>	<p>The relationship between net income and cash flows from operations are explained.</p> <p>Identification of the reasons of the differences between these two figures contains material errors.</p>	<p>A reasonable attempt is made to identify the relationship between net income and cash flows from operations.</p> <p>A reasonable attempt is made to identify the reasons of the differences between these two figures but fail to completely grasp the issue.</p> <p>Errors are identified in the answer.</p>	<p>A poor attempt is made to explain the relationship between net income and cash flows from operations.</p>
<p>Was the firm able to generate enough cash from operations to pay for all of its capital expenditures?</p>	<p>Identify all cash flows from operation with specific mention of whether it is positive or negative.</p> <p>Identify all capital expenditures and synthesise the adequacy of cash flows from operations to cash required for capital expenditures.</p>	<p>Identify all cash flows from operation with specific mention of whether it is positive or negative.</p> <p>Identify all capital expenditures.</p> <p>Unable to explain whether the adequacy of cash flows from operations is adequate for cash required for capital expenditures.</p>	<p>Identify all cash flows from operation with specific mention of whether it is positive or negative.</p> <p>Identify most capital expenditures.</p> <p>Unable to explain whether the adequacy of cash flows from operations is adequate for cash required for capital expenditures.</p>	<p>A reasonable attempt is made to identify cash flows from operation with specific mention of whether it is positive or negative.</p> <p>Identify some capital expenditures.</p> <p>Unable to explain whether the adequacy of cash flows from operations is adequate for cash required for capital expenditures.</p> <p>Some errors are identified in the answer.</p>	<p>No reasonable attempt is made to identify cash flows from operation with specific mention of whether it is positive or negative.</p> <p>Fail to identify most capital expenditures.</p> <p>Unable to explain whether the adequacy of cash flows from operations is adequate for cash required for capital expenditures.</p> <p>Material errors are identified in the answer.</p>

<p>Did the cash flow from operations cover both the capital expenditures and the dividend payments made by the firm (if any)?</p>	<p>Clearly demonstrate the sources of fund used for capital expenditures and dividend.</p> <p>Demonstrate outstanding knowledge beyond requirements on the topic.</p>	<p>Demonstrate the sources of fund used for capital expenditures and dividend. Minor errors.</p> <p>Demonstrate very good knowledge on the topic.</p>	<p>Address the question but unable to clearly indicate whether the cash flows from operations were enough for capital expenditure and dividend payment.</p> <p>Demonstrate good knowledge on the topic.</p>	<p>Answer the question correctly with a simple “yes” or “No” answer.</p> <p>No discussion is provided.</p> <p>Demonstrate basic knowledge on the topic.</p>	<p>Incorrectly answered the question with a simple “yes” or “No” answer.</p> <p>No discussion is provided.</p> <p>Demonstrate poor knowledge on the topic.</p>
<p>If the firm has generated excess cash from operations, how did the firm invest the excess cash? If not, what were the sources of cash the firm used to pay for the capital expenditures and/or dividends?</p>	<p>Clearly identify and explain whether the firm has generated excess cash flows.</p> <p>Present a good discussion on free cash flows and uses of excess cash flows.</p>	<p>Identify and explain whether the firm has generated excess cash flows.</p> <p>Present a reasonable discussion on the concept of free cash flows and uses of excess cash flows.</p>	<p>Identify and explain whether the firm has generated excess cash flows.</p> <p>Present a discussion on the concept of free cash flows and uses of excess cash flows with errors.</p>	<p>Identify and explain whether the firm has generated excess cash flows with some errors.</p> <p>No discussion is made about free cash flows.</p> <p>The discussion on uses of excess cash flows is unclear.</p>	<p>Incorrectly identify and explain whether the firm has generated excess cash flows.</p> <p>No discussion is made about free cash flows.</p> <p>No discussion or incorrect discussion is made on uses of excess cash flows.</p>
<p>Did the firm use the working capital (current asset and current liability) accounts other than cash and cash equivalents as sources of cash, or uses of cash? (Answer this question using only Appendix B: Cash flow statement for BHP Limited).</p>	<p>Demonstrate a clear understanding of how changes in current assets and current liabilities can be source of fund and/or uses of fund.</p> <p>Correctly explain whether the firm has used working capital items as sources of operating cash flows or uses of operating cash flows.</p>	<p>Present a good discussion on whether the firm has used current assets and current liabilities as sources of fund or uses of fund.</p> <p>Present an item-wise discussion on each current assets and current liability items with minor errors.</p>	<p>Present a reasonable discussion on whether the firm has used current assets and current liabilities as sources of fund or uses of fund.</p> <p>Present an item-wise discussion on each current assets and current liability items with material errors.</p>	<p>Present a discussion on whether the firm has used current assets and current liabilities as sources of fund or uses of fund with minor errors.</p> <p>Unable to present a proper discussion on each current assets and current liability items.</p>	<p>Present an incorrect discussion on whether the firm has used current assets and current liabilities as sources of fund or uses of fund.</p> <p>Unable to present a proper discussion on each current assets and current liability items.</p>

What other major items affected cash flows?	<p>Cash flows from sources other than operating activities are identified.</p> <p>Cash flows from investing activities and financing activities are identified and explained in detail.</p> <p>Demonstrate a comprehensive understanding of the topic.</p>	<p>Cash flows from sources other than operating activities are identified.</p> <p>Cash flows from investing activities and financing activities are identified and explained with minor errors.</p> <p>Demonstrate a very good understanding of the topic.</p>	<p>Cash flows from sources other than operating activities are identified with minor errors.</p> <p>Cash flows from investing activities and cash flows from financing activities are separately identified and explained with material errors.</p>	<p>Cash flows from sources other than operating activities are identified with material errors.</p> <p>Cash flows from investing activities and cash flows from financing activities are not separately identified and explained.</p> <p>Meet the requirements but with limited information and discussion.</p>	<p>Demonstrate poor knowledge on the topic.</p> <p>No reasonable discussion is provided on cash flows from sources other than operating activities.</p> <p>The answers do not meet the basic requirement as no factual discussion is provided.</p>
What was the trend in capital expenditures for each firm?	Trend in capital expenditures for each of the three firms is correctly identified and discussed comprehensively.	<p>Trend in capital expenditures for each of the three firms is correctly identified.</p> <p>A good level of discussion is provided.</p>	Trend in capital expenditures for each of the three firms is correctly identified but not well discussed.	Trend in capital expenditures for each of the three firms is correctly identified.	<p>Trend in capital expenditures for each of the three firms is not correctly identified.</p> <p>No discussion on the trend is provided.</p>
What was the trend in dividends (if any) for each firm?	Trend in dividends for each of the three firms is correctly identified and discussed comprehensively.	<p>Trend in dividends for each of the three firms is correctly identified.</p> <p>A good level of discussion is provided.</p>	Trend in dividends for each of the three firms is correctly identified but not well discussed.	Trend in dividends for each of the three firms is correctly identified.	<p>Trend in dividends for each of the three firms is not correctly identified.</p> <p>No discussion on the trend is provided.</p>
What was the trend in net borrowing (proceeds from borrowing less payments of short- and long-term debt) for each firm?	Trend in net borrowing for each of the three firms is correctly identified and discussed comprehensively.	<p>Trend in net borrowing for each of the three firms is correctly identified.</p> <p>A good level of discussion is provided.</p>	Trend in net borrowing for each of the three firms is correctly identified but not well discussed.	Trend in net borrowing for each of the three firms is correctly identified.	<p>Trend in net borrowing for each of the three firms is not correctly identified.</p> <p>No discussion on the trend is provided.</p>

What was the trend in working capital accounts? (Answer this question using only Appendix B: Cash flow statement for BHP Limited).	Trend in working capital is correctly identified and discussed comprehensively. Item-wise discussion is provided	Trend in the working capital is correctly identified. A good level of discussion is provided on each item.	Trend in the working capital is correctly identified. The trend is not discussed item-wise.	Trend in the working capital is correctly identified. No discussion on the trend is provided.	Trend in the working capital is not correctly identified. No discussion on the trend is provided.
Critically evaluate the financial strength of each of the three companies based on the evidence presented in the Statement of Cash Flows.	The financial situations of all three companies are comprehensively discussed Logical and accurate conclusion is drawn based on the discussion. Demonstrate outstanding knowledge beyond requirements on the topic. Issues and facts are presented and analyzed in a logical manner.	A very good discussion is provided on the financial situations of all three companies. Logical conclusion is drawn based on the discussion. Demonstrate very good knowledge on the topic. Issues are discussed adequately based on sufficient research.	The financial situations of all three companies are discussed with scopes for improvement. Attempt to draw a conclusion but it is not logically and factually sound. Demonstrate of good knowledge on the topic. Discuss the issues based on some research and facts with scopes for improvement.	The financial situations of all three companies are discussed but most of the discussion is basic and scattered. The discussions are not logically linked. Demonstrate basic knowledge on the topic. Meet the requirements but with limited information and discussion.	The financial situations of all three companies are discussed. The discussions are not logically linked. Demonstrate poor knowledge on the topic. The answers do not meet the basic requirement as no factual discussion is provided.
If you are asked to evaluate these three companies for lending purposes, which of the three companies you will select for lending? Explain Why.	Make a clear and accurate selection highlighting the reason for the selection. Discussion is based on facts and figures.	Make a clear and accurate selection. A good level of discussion is provided on the selection.	Make a clear and accurate selection. A basic discussion is provided on the reasons for selection.	Make a clear and accurate selection. No discussion is provided on the reason for the selection.	The selection is inaccurate. No reasonable discussion is provided on the reason for the selection.