BANP201 Activity 3

Answer the following questions:

1. Three primary financial statements.
2. To explain the financial effects of an organization's business activities, use a diagrammatic depiction that shows how the organization might go from business activities to financial statements. At least one factor for each of the business operations should be highlighted.
3. Capital markets give the world economy a steady supply of cash or liquidity, which lowers the cost of conducting business. Additionally, it facilitates effective communication between lenders and borrowers and aids in allocating resources to support a robust domestic and international economy. Name and discuss the most popular capital markets.
4. List types of account systems and provide at least one example for each.
5. Discuss the three potential sources of noise and bias in accounting data.
6. List types of account systems and provide at least one example for each.
7. Discuss steps of the forecasting process.
8. There are four main types of models or methods that companies use to predict actions in the future.
9. Discuss atleast three issues to be considered in the evaluation of quality of disclosure when performing accounting analysis.
10. Discuss atleast three most common conditions in which liabilities may be understated.
11. Discuss the two principles in which standardization of financial statements are built on.
12. Assets are defined as resources with probable future benefits. List and discuss 2 examples of personal assets.
13. List and discuss two primary tools in financial analysis
14. Name and discuss the most popular capital markets.
15. Discuss types of account systems
16. Financial statement elements that are defined by IFRS
17. Factors that influence competitive intensity between firms
18. Determinants of the intensity of competition among firms

19. Discuss managers have a number of incentives to choose accounting disclosures that are biased
20. The role of financial reporting in capital markets
21. Business intermediaries use financial statements to accomplish four key objectives
22. Factors affecting this threat or new entrants
23. Management's responsibility for reporting financial
24. Information
25. Importance of external auditing of financial statements
26. Factors influencing accounting quality
27. Manager's accounting choices
28. Steps in performing accounting analysis
29. Potential red flags in financial statement
30. The main difference between accrual and cash basis accounting
31. Managers have a number of incentives to choose accounting disclosures that are biased
32. Assets are defined as resources with probable future benefits. Name and discuss 4 examples of personal assets.
33. Assets are defined as resources with probable future benefits. Name and discuss distortions that may generally arise from ambiguities:
34. List benefits of accounting adjustment
35. List drawbacks of accounting adjustment
36. List and discuss five types of adjustments
37. Incentives to inflate reported earnings can result in overstated assets. Discuss most common forms:
38. Mention four levers that managers can employ to achieve growth and profit targets:
39. List and discuss two primary tools in financial analysis:
40. Discuss steps of the forecasting process.
41. Mention main types of models or methods that companies use to predict actions in the future.
42. Mention levers that Managers can employ to achieve growth and profit targets:
43. There are four main types of models or methods that companies use to predict actions in the future.
44. Forecasts of future performance should be comprehensive, including all condensed financial statements. Use an aid of a diagram to explain forecasting structure.

45. Discuss the two principles in which Balance sheets, (comprehensive) income statements, and statements of cash flows may be recast with standardized line-item descriptions to increase their usefulness.
46. Incentives to inflate reported earnings can result in overstated assets. Discuss the four most common forms of overstated assets.
47. Differentiate the two primary tools (ratio analysis and cash flow analysis) in financial analysis.
48. Evaluating ratios requires comparison against some benchmark. Mention the three benchmarks that can be used to evaluate ration.
49. What are the three steps involved in the price multiple valuation methods?
50. What is accounting adjustments and why is it important or used in Accounting?