

## **BANP201 Activity 2**

Answer the following questions:

1. Assets are defined as resources with probable future benefits. Name and discuss 4 examples of personal assets.
2. Assets are defined as resources with probable future benefits. Name and discuss distortions that may generally arise from ambiguities:
3. List benefits of accounting adjustment
4. List drawbacks of accounting adjustment
5. List and discuss five types of adjustments
6. Incentives to inflate reported earnings can result in overstated assets. Discuss most common forms:
7. Mention four levers that managers can employ to achieve growth and profit targets:
8. List and discuss two primary tools in financial analysis:
9. Discuss steps of the forecasting process.
10. Mention main types of models or methods that companies use to predict actions in the future.
11. Mention levers that Managers can employ to achieve growth and profit targets:
12. Discuss two primary tools in financial analysis:
13. There are four main types of models or methods that companies use to predict actions in the future.
14. Forecasts of future performance should be comprehensive, including all condensed financial statements. Use an aid of a diagram to explain forecasting structure.
15. 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.
16. Incentives to inflate reported earnings can result in overstated assets. Discuss the four most common forms of overstated assets.
17. Differentiate the two primary tools (ratio analysis and cash flow analysis) in financial analysis.
18. Evaluating ratios requires comparison against some benchmark. Mention the three benchmarks that can be used to evaluate ration.
19. What are the three steps involved in the price multiple valuation methods?
20. What is accounting adjustments and why is it important or used in Accounting?