General Motors Company (GM) is one of the world's largest automakers. It designs, manufactures, and sells trucks, crossovers, cars, and automobile parts under brands including Buick, Cadillac, Chevrolet, and GMC.

GM utilizes the straight-line method for depreciating property, plant, and equipment. This allocates the cost evenly over the estimated useful life of the assets. I recommend GM continue using the straight-line method as it is easy to calculate and results in a consistent depreciation expense from year to year. Switching to an accelerated depreciation method could create greater variability in expenses.

GM employs the first-in, first-out (FIFO) method to value most inventories, including materials, work in process, and finished vehicles. Under FIFO, the oldest inventory items are recorded as sold first. This impacts the cost of goods sold by better matching current costs with current revenues since the most recently purchased or produced items are expensed. Using last-in, first-out (LIFO) could result in older, lower costs being charged to the cost of goods sold.

Three major long-term assets on GM's balance sheet are Property, plant, and equipment of $45.2 billion, Equipment on operating leases of $32.7 billion, and Deferred income taxes of $20.5 billion. These represent the land, factories, equipment, and lease assets GM uses in operations. Current liabilities include Accounts payable of $27.5 billion, Short-term debt of $38.8 billion, and Accrued liabilities of $24.9 billion. These represent operating expenses and debt due within one year.

Utilizing an Accounting Information System would benefit GM by improving efficiency, transparency, and analysis. As an AIS analyst, I aim to streamline financial reporting and planning.

I would collaborate across departments to identify opportunities for systems integration. I would also work to implement advanced analytics to uncover insights from GM's data. My role would drive productivity and provide actionable information to management for strategic decisions. This would help GM innovate, reduce costs, manage risks, and ultimately drive profitability.

GM is a leading auto manufacturer that uses the straight-line depreciation method and FIFO inventory valuation. Major long-term assets include PP&E, equipment leases, and deferred taxes. Current liabilities include payables, short-term debt, and accruals. An AIS system would benefit GM by improving processes, analytics, and decision-making. My role as an AIS analyst would focus on systems integration and advanced analytics to contribute to GM's success.

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