Assignment 2

1. What is the significance of asset utilization ratio (AUR)?
2. What are the different types of depreciation methods used in accounting?
3. How does the choice of depreciation method affect the financial statements of a company?
4. What is the purpose of the statement of cash flows?
5. How does the statement of cash flows differ from the income statement?
6. What is the importance of understanding the cash flow statement for investors and creditors?
7. What is the difference between cash flow from operating activities, investing activities, and financing activities?
8. How does the cash flow statement provide insights into a company's liquidity and solvency?
9. What are the key ratios used to evaluate a company's liquidity and solvency?
10. How do these ratios help investors and creditors make informed decisions about a company?