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**WORKSHEET 2:
ANSWER BOOK**

**1.1 DUFF LTD
CASH FLOW STATEMENT FOR YEAR ENDED 29 FEBRUARY 2020**

Cash effects of operating activities	
Cash generated from operations	
Cash effects of investing activities	
Cash effects of financing activities	
Net change in cash & cash equivalents	
Cash & cash equivalents at beginning of year	
Cash & cash equivalents at end of year	

1.2 Calculate:

1.2.1	% operating expenses on sales
1.2.2	Acid test ratio
1.2.3	Debt/equity ratio
1.2.4	% return on average shareholders' equity
1.2.5	net asset value per share

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1.3 Comment on the liquidity of the business. Quote TWO financial indicators (with figures).

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1.4 Provide TWO reasons why directors decided to change the dividend pay-out policy. Quote figures to support your opinion.

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1.5 Did the company pay a fair price to buy back the shares? Explain. Quote figures.

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TOTAL: 70