Tools for Financial Analysis

Assignment 2	Total Marks: 30

Answer the following questions:

1. What is the current ratio? **(5)**
2. What is the quick ratio? **(6)**
3. What is the gross and net profit margin? **(6)**
4. What is 'breakeven point'? and how it can benefit a company to develop future sales plans? **(7)**
5. How an investor can use ratio analysis to invest in a low risk company? **(6)**