

**MASTERS OF BUSINESS ADMINISTRATION
(MANAGEMENT ACCOUNTING AND
FINANCE)
(MBAMAFCI)**

00148

Term-End Examination

December, 2012

**MCN-086 : ANALYSIS OF FINANCIAL
ACCOUNTS AND EXTERNAL REPORTING**

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. (a) Discuss the computation and significance of the following financial ratios :
 - (i) Liquidity analysis ratios
 - (ii) Capital structure ratios
 - (b) "Financial ratio analysis should be integrated with industry analysis, analysis of the economy and analysis of the firm's strategy". Explain this statement.
-
2. Define finance lease and explain how it differs from operating lease ? What are the disclosures to be made in respect of finance and operating lease.

3. Define liabilities and mention important characteristics of liabilities. Discuss the meaning of “provision” and explain how is it disclosed in the balance sheet ?
4. What is segment reporting ? Discuss the different bases used for segmenting a diversified company.
5. Write short notes on :
 - (a) Inflation accounting method
 - (b) Current cost accounting method
 - (c) Cost of sales adjustment
 - (d) Holding and operating gains
6. Explain the concept of human resource accounting. What objections are generally raised against human resource accounting ?
7. Discuss briefly the major objectives of corporate social accounting approach. Discuss the different methods for measurement of social costs and benefits.
8. Define environmental accounting. Explain different environmental costs and discuss the benefits and costs associated with environmental reporting.