

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

Term-End Examination

December, 2015

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

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

1. What is meant by ratio analysis ? Examine the relationship between solvency, liquidity and profitability ratio. 20
2. Describe the principle ratios which you consider significant while interpreting the published accounts of a company. 20
3. "Analysis without interpretation is meaningless and interpretation without analysis is impossible." Discuss with suitable example. 20
4. What do you mean by interpretation of financial obligations ? Discuss its procedure in brief. 20
5. "Leasing is beneficial to both the lessee as well as the lessor." Explain. 20

6. Historical accounting shows unreal profits resulting in distribution of profits out of capital. Offer your observations both in favour and against the statement. 20
 7. Define Environmental Accounting. State the internal and external environmental costs. Briefly evaluate the methods of environmental reporting. 20
 8. What is Historical Cost approach of Human Resource Accounting ? Also explain its merits. 20
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