

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

**Term-End Examination**

**June, 2016**

00170

**MCN-085 : ADVANCED FINANCIAL  
ACCOUNTING AND REPORTING**

*Time : 3 hours*

*Maximum Marks : 100*

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

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1. What are Consolidated Financial Statements ? Why is consolidation necessary ? Discuss the treatment of Pre and Post Acquisition Reserve in a consolidated financial statement. 20
  
  2. Define the terms joint control and joint venture. Briefly discuss the three types of joint ventures as discussed in IAS 31 and their accounting treatment for the purpose of consolidated statements. 20

3. Explain the following terms : 20
- (a) General Reserve
  - (b) Securities Premium
  - (c) Fair Value Reserve
  - (d) Revaluation Reserve
4. What are the three classifications of cash flows and give some examples of each ? Explain the procedure for preparation of group cash flow statement. 20
5. Explain the various methods for calculation of purchase consideration with regard to amalgamation of companies. 20
6. What are the objectives of inflation accounting ? Explain the Current Cost Accounting (CCA) method. 20
7. Define liabilities. Which methods would you adopt for the valuation of liabilities ? Give reasons. 20
8. Write short notes on the following : 10+10=20
- (a) Foreign Currency Translation (IAS 21)
  - (b) Debt Factoring
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