



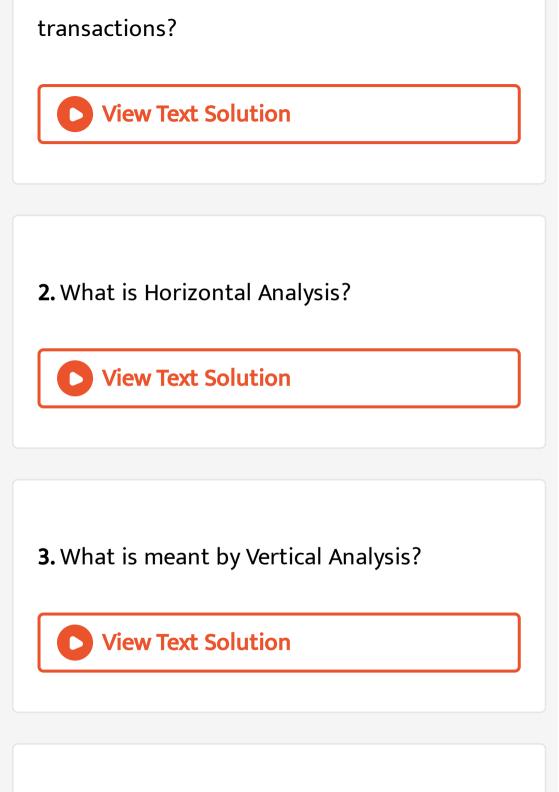
ACCOUNTS

BOOKS - SULTAN CHAND & SONS ACCOUNTS (HINGLISH)

FINANCIAL STATEMENT ANALYSIS

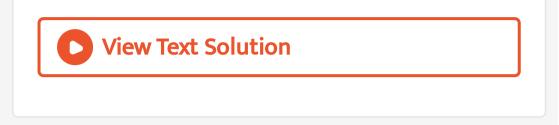
Questions

1. Do you think that Financial Statement Analysis is a post-mortem of business



4. Both Horizontal and Vertical Analyses are

complementary in nature. Explain.



5. Why Vertical Analysis is also known as Static

Analysis?

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6. What is meant by Intra-firm Comparison?

7. What is meant by Inter-firm Comparison?

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8. Distinguish analysis and interpretation of

financial statements.



9. Is financial analysis helpful in assessing the

financial position of a concern?

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Very Short Answer Type Questions

1. What is meant by Financial Statement

Analysis?

2. Name any two tools of analysis of Financial

Statements.

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3. What is Cross- sectional Analysis?
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4. What is a Time Series Analysis?

5. Why is an inter-firm comparison useful?



6. What is horizontal Analysis of Financial

Statements?

7. What is meant by Vertical Analysis of
Finanical Statements to 'Top Management'.
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8. State the significance of Analysis of Financial

Statement to 'Top Management'.



9. Why are investors intersted in analysing
Financial Statements?

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10. Why are the financial institutions

interested in analysing Finanical Statements?



11. Why is public interested in analysing
Finanical Statements?
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12. State any one objective of Financial

Statement Analysis.



13. OBJECTIVES OF ANALYSIS OF FINANCIAL

STATEMENT

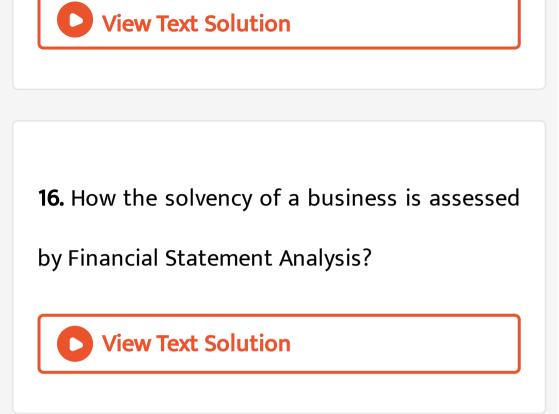
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14. OBJECTIVES OF ANALYSIS OF FINANCIAL

STATEMENT



15. What is meant by Solvency of Business'?



17. State any two limitations of Financial

Statement Analysis.

18. How is Window Dressing a limitation of

Financial Statement Analysis.



19. How does 'subjectivity' become a limitation

of Financial Statement Analysis?

20. Name two parties interested in Financial

Statement Analysis.

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21. State why shareholders are interested in

Finanical Statement Analysis.



22. State why creditors for goods are interested in Financial Statement Analysis.
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23. State the interest of Trade Unions in the

Analysis of Financial Statements.



24. State the interest of management in the

Analysis of Financial Statements.

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25. State how qualitative aspects are ignored

in Financial Statement Analysis.

26. How is the Finanical Statement Analysis

useful to Financial Manager?

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27. State the significance of Analysis of

Financial Statement to the 'Lenders'.



28. State the signigicance of Analysis of Finanical Statement to the 'Creditors'. **View Text Solution** 29. State one advantage of Financial Statement Analysis. **View Text Solution**

30. State any one limitation of 'Analysis of Financial Statement'. View Text Solution

Short Answer Type Questions

1. What is meant by 'Analysis of Financial Statement'? State any two objective of such an analysis.

2. What is meant by Financial Statement Analysis? State any two limitations of it.



3. Briefly explain the various Financial

Statement Analysis techniques.



4. State any three advantages and three limitations of Analysis of Financial Statements.
OR

State any two limitations and any two

objectives of 'Analysis of Financial Statements'.

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5. List any three objective of Analysing the Financial Statements.

Or

State the objectives of 'Analysis of Financial Statements'.

Or

State any two objectives of 'Analysing of Financial Statements'.

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6. What is meant by Analysis of Financial Statements? How is iot useful for (a) Creditors,
(b) Management, (c) Investors, (d) Employess,
(e) Government, and (f) Customers ?





7. Briefly explain limitations of Financial
Statement Analysis.
Or
State any four limitations of 'Analysis of
Financial Statement'.

Or

State any two limitations of 'Analysis of

Financial Statements.'



8. Differentiate between Intra-firm and Inter-

firm Analysis.

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9. Discuss the advantages of Finanical Statement Analysis.
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10. What is meant by Analysis of Financial Statements? How is it important from the viewpoint of creditors and management?



11. What is meant by Analysis of Financial Statements ?

12. What is meant by Analysis of Financial Statement ? What is the interest of the management and shareholders in such an analysis?

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13. What is meant by Analysis of Financial Statements ? How is it useful to investors and employees ? Explains in brief.

14. How is the Analysis of Financial Statements useful to potential investors and tax authorities? Explain in brief.



15. How is Analysis of Financial Statements

important to Government Authorities ?

16. Why is Analysis of Financial Statements

important to Creditors?

