



# INDIAN SCHOOL MUSCAT

Senior Section

Department of Commerce and Humanities

Class : XII

Worksheet-No 13

Reference:

CH- 13: FINANCIAL STATEMENTS ANALYSIS - THEORY

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Date of issue :

ACCOUNTANCY (055)

Date of

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submission

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**Time Allowed 10 Minutes**

1. **Feature of financial analysis is to present the data contained in financial statements in**
  - (a) Easy form
  - (b) Convenient and rational groups
  - (c) Comparable form
  - (d) All of the above
  
2. **Which analysis is considered as dynamic?**
  - (a) Horizontal Analysis
  - (b) vertical Analysis
  - (c) internal Analysis
  - (d) external Analysis
  
3. **Which analysis is considered as Static?**
  - (a) Horizontal Analysis
  - (b) vertical Analysis
  - (c) internal Analysis
  - (d) external Analysis
  
4. **Which Analysis is based on one year's data?**
  - (a) Horizontal Analysis
  - (b) vertical Analysis
  - (c) Cash Flow Statement
  - (d) Dividend Analysis
  
5. **Main Objective of Analysis of Financial Statement is**
  - (a) To know the financial strength
  - (b) To make a comparative study with other firms
  - (c) To know their efficiency of management
  - (d) All the above

6. **Analysis of Financial Statement is significant**
  - (a) For creditors
  - (b) For Managers
  - (c) For employees
  - (d) All the above
7. **Financial Analysis becomes significant because it**
  - (a) Ignores price level changes
  - (b) Measures the efficiency of business
  - (c) Lacks qualitative analysis
  - (d) Is effected by personal bias
8. **When bad position of the business is tried to be depicted as good it is known as**
  - (a) Personal bias
  - (b) Price level changes
  - (c) Window dressing
  - (d) All the above
9. **Main limitation of Analysis of Financial Statement is**
  - (a) Affected by window dressing
  - (b) Difficulty in forecasting
  - (c) Do not reflect changes in price level
  - (d) All the above
10. **Financial Analysis becomes useless because it**
  - (a) Measures the profitability
  - (b) Measures the solvency
  - (c) Lacks qualitative analysis
  - (d) Makes a comparative study

**PLEASE PRACTICE AND THAN CHECK ANSWER**

**ANSWERS :-**

Q No	Answer
1	D
2	A
3	B
4	B
5	D
6	D
7	B
8	C
9	D
10	C

Marks Scored
<b>Out of 10 marks</b>