

# 43 Lecture - MGT101

## Important Subjective

1. **What are the key financial statements that are required to be submitted by listed/quoted companies?**

Answer: The key financial statements required by listed/quoted companies are the income statement, balance sheet, and cash flow statement.

2. **How do financial statements of listed/quoted companies differ from those of private companies?**

Answer: Financial statements of listed/quoted companies are subject to more stringent regulations and guidelines, and must comply with the reporting requirements of regulatory bodies such as the SEC and FRC.

3. **What information can be derived from a company's income statement?**

Answer: The income statement shows a company's revenues and expenses, and provides information on its profitability and performance.

4. **How does a balance sheet differ from an income statement?**

Answer: The balance sheet shows a company's assets and liabilities, and provides information on its financial position and liquidity, while the income statement shows a company's revenues and expenses.

5. **What does the cash flow statement show?**

Answer: The cash flow statement shows a company's cash inflows and outflows, and provides information on its cash position and ability to generate cash.

6. **What is the purpose of financial statements of listed/quoted companies?**

Answer: The purpose of financial statements of listed/quoted companies is to provide information to investors and analysts to aid in making informed investment decisions.

7. **How can financial statements be used to evaluate a company's financial health?**

Answer: Financial statements can be used to evaluate a company's financial health by analyzing its profitability, liquidity, solvency, and risk management.

8. **How do regulatory bodies such as the SEC and FRC ensure the accuracy and reliability of financial statements?**

Answer: Regulatory bodies enforce strict reporting requirements and guidelines, and may conduct audits and investigations to ensure the accuracy and reliability of financial statements.

9. **How do changes in accounting standards impact financial statements of listed/quoted companies?**

Answer: Changes in accounting standards may impact the way financial statements are prepared and presented, and may affect the comparability of financial statements over time.

10. **How can financial statements be used to compare the performance of different companies in the same industry?**

Answer: Financial statements can be used to compare the performance of different companies

in the same industry by analyzing key financial ratios and metrics, such as return on equity and debt-to-equity ratio.