

Dr. Babasaheb Ambedkar Open University
Term End Examination June – 2017

Course : DAA	Date : 27-Jun-17
Subject Code : DAA-02	Time : 3:00 TO 6:00
Subject Name : Analytical Accounting	Duration : 03 Hours
	Max. Marks : 70

1. Write short note on various accounts needed to prepare fund flow statement? (14)

OR

Describe the utility of Fund Flow statement.

2. Prepare the cash flow statement for the year ended 31st March, 2017 from two balance sheets given below. (14)

Liabilities	2017	2016	Assets	2017	2016
Equity capital	650000	500000	Fixed Assets	450000	400000
General Reserve	150000	100000	Investments	100000	100000
Profit & Loss Balance	150000	50000	Sundry Debtors	300000	200000
14% Debentures	200000	200000	Stock	250000	200000
Sundry Creditor	200000	200000	Cash	315000	150000
Proposed dividend	65000	50000	Misc.Exp.	-----	50000
TOTAL	1415000	1100000	TOTAL	1415000	1100000

Note: Depreciation of Rs.50000 was provided on fixed assets.

OR

Explain "Operating activities" in Cash flow statement.

3. From the following financial statements of Mr.X, prepare a cash flow statement. (14)
Balance Sheet as on 2017 & 2016 are as follows:

Liabilities	31.12.2017	31.12.16	Assets	31.12.2017	31.12.16
Capital	210000	150000	Property	90000	100000
Secured loan	60000	130000	Machinery	145000	160000
Creditors	20400	35600	Furniture	10000	12000
Bills payable	59600	28700	Stocks	22000	15000
			Debtors	45000	30000
			Cash balance	15600	7500
			Bank balance	22400	19800
TOTAL	350000	344300	TOTAL	350000	344300

Other information:

1. There are no purchases or sale of fixed assets.
2. Mr. X has withdrawn Rs.30000 during the year.

OR

What is Fund flow statement? Draw the preform of Vertical Fund Flow Statement with imaginary figures.

4. Explain revenue statement ratios.

(14)

OR

Q.4 Explain the utility & limitations of ratio analysis.

5. From the following information, calculate below mentioned ratios for A Ltd. & B Ltd.

(14)

- Current ratio
- Debtors ratio (360 days to be taken for the year)
- Operating ratio

Particulars	A Ltd.	B Ltd.
Total sales (out of which 20% are cash sales)	640000	640000
Cost of goods sold	448000	416000
Net profit (after 50% revenue tax)	32000	51200
Equity share capital	300000	260000
Retained earnings	49600	132400
15% debentures	160000	132000
Sundry creditors	70000	100000
Bank overdraft	18000	40000
Fixed assets	320000	310000
Stock	64000	160000
Debtors	80000	72000
Cash	32000	20000
Preliminary expenses	1600	2400

OR

Q.5 What is composite ratio? Explain any three composite ratios.
