

Dr. Babasaheb Ambedkar Open University
Term End Examination January – 2026

Course : Diploma Course Subject Code : DAA-02 Subject Name : Analytical Accounting	Date : 01/03/2026 Time : 11:30am to 01:45pm Duration : 02.15 Hours Max. Marks : 70
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Q-1 Explain the utility of fund flow statement in details. **14**

OR

Explain the imaginary format of Adjusted profit and loss account in details.

Q-2 Explain the concept of cash flow statements and describe the difference between cash flow statements and fund flow statements. **14**

OR

Explain the format of Cash flow statements with imaginary figures with reference to Standard - 3.

Q-3 Following are the balance sheets of an Ankita & brother: **14**

Liabilities	Opening balances	Closing balances	Assets	Opening balances	Closing balances
Creditors	36,000	41,000	Cash	4,000	3,600
Loan from Partner	-	20,000	Debtor	60,000	60,400
Loan from Bank	30,000	25,000	Land	20,000	30,000
Capital	1,48,000	1,49,000	Machinery	80,000	86,000
			Building	50,000	55,000
	2,14,000	2,35,000		2,14,000	2,35,000

During the year Rs. 26,000 paid as dividend. The provision made for depreciation against machinery as on Opening balances was Rs. 27,000 and on Closing balances Rs 36,000. Prepare a cash flow statement.

OR

Explain the concept and types of ratio analysis in details.

Q-4 Explain the usefulness and limitations of ratio analysis in details. **14**

OR

A company presents the following financial indicators:

Opening Stock	Rs. 20,000
Closing Stock	Rs. 10,000
Purchases	Rs. 60,000
Sales	Rs. 1,05,000
Sales Return	Rs. 5,000
Carriage Inward	Rs. 5,000
Office and Administration Expenses	Rs. 5,000
Selling Expenses	Rs. 3,000

Required:

- Stock Turnover Ratio
- Net Profit ratio
- Gross profit ratio
- Operating expenses ratio
- Operating profit ratio
- Return On Assets, of value of Rs. 1,70,000

Q-5 Write Short Notes (Any two)

14

1. Performa/format of statement of changes in working capital.
2. Effects of Non-cash items on profit.
3. Needs of ratio analysis.
4. Performa/format of fund flow statement.
5. Operating activities, financing activities and investing activities.
