

Seat No.	
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B.B.A. (Part - II) (Semester - IV) Examination, October - 2016
COST AND MANAGEMENT ACCOUNTING (Paper - II)
Sub. Code : 43944

Day and Date : Tuesday, 25-10-2016**Total Marks : 40****Time : 3.00 p.m. to 5.00 p.m.**

- Instructions :**
- 1) All questions are compulsory.
 - 2) Figures to the right indicate marks.

Q1) From the following Balance sheet and other information of Abhipra ltd. for the years 2013 and 2014 prepare fund flow statement and statement showing changes in working capital. **[14]**

<u>Liabilities</u>	<u>2013</u>	<u>2014</u>	<u>Assets</u>	<u>2013</u>	<u>2014</u>
	(Rs.)	(Rs.)		(Rs.)	(Rs.)
Share Capital	2,00,000	2,50,000	Goodwill	7,500	5,000
General Reserve	10,000	25,000	Buildings	1,42,500	1,57,500
Profit & Loss a/c	15,000	50,000	Plant & Mach.	93,000	75,000
12% Debentures	2,00,000	2,35,000	Investment	75,000	75,000
Sundry Creditors	1,25,000	60,000	Stock	2,00,000	1,80,000
Bills payable	75,000	40,000	Sundry Debtors	1,50,000	1,65,000
Proposed Dividend	40,000	40,000	Cash in hand	6,250	12,500
Provision for tax	60,000	50,000	Cash at Bank	50,750	80,000
	<u>7,25,000</u>	<u>7,50,000</u>		<u>7,25,000</u>	<u>7,50,000</u>

Additional Information:

- a) During the year investments costing Rs. 20,000 were sold at a profit of Rs. 10,000.
- b) An interim dividend of Rs. 25,000 was paid during the year.

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- c) Income tax paid during the year Rs.60,000.
- d) Rs.15,000 was charged as depreciation on buildings.
- e) Depreciation charged on plant and Machinery Rs.9,300 show the workings clearly.

OR

Q1) Explain the concept of flow, concept of funds and funds from operation.[14]

Q2) Write short Answers (Any two)

[16]

- a) What do you mean by financial statements Analysis? Explain various types of ratios to be used for the purpose of analysis of financial statements.
- b) What do you mean by Reporting? State the various objectives of Reporting to management.
- c) A company supplies the following information

Balance Sheet

<u>Liabilities</u>	<u>Amt.</u>	<u>Assets</u>	<u>Amt.</u>
	(Rs.)		(Rs.)
Share Capital	2,00,000	Good will	1,20,000
Reserves & Surplus	58,000	Plant & Machinery	1,50,000
Debentures	1,00,000	Stock	80,000
Creditors	40,000	Debtors	45,000
Bills Payable	20,000	Cash	17,000
Other Current		Misc. Current	
liabilities	2,000	Assets	8,000
	<u>4,20,000</u>		<u>4,20,000</u>

Sales (Credit) for the year = Rs.4,00,000

Gross profit = Rs.1,60,000

- Calculate :
- i) Current ratio
 - ii) Liquid Ratio
 - iii) Inventory turnover Ratio
 - iv) Proprietary funds to liabilities ratio

- d) Following information is available from the books of standard company ltd.

	<u>2013</u>	<u>2012</u>
Profit made during the year	2,50,000	-
Income received in advance	500	600
Prepaid expenses	1,600	1,400
Debtors	80,000	95,000
Bills receivable	25,000	20,000
Creditors	45,000	40,000
Bills payable	13,000	15,000
Outstanding expenses	2,500	2,000
Accrued Income	1,500	1,200

Calculate cash flow from operations.

Q3) Write Short Answers (Any Two)

[10]

- a) Liquidity Ratios.
- b) Distinguish between cash flow statement and funds flow statement.
- c) Human Resource Accounting. .
- d) Types of Reports.

