

Comparative & Common Size Statement And Cash Flow Statement

Time : 1 Hr.

Maximum.Marks.:25

Passing Marks : 16

- Q.1 Explain briefly the term Cash Equivalent. (1)
- Q.2 State clearly what would constitute the operating activities for the Film Production House & Real Estate Business (2)
- Q.3 For each of the following items, state how it would be reported in the cash flow statement.
- (a) Purchased land ₹ 10,00,000 and paid by issue of equity shares of the same amount to the vendor
- (b) Issue of Bonus Share
- (c) Conversion of debentures into equity shares.
- (d) Payment of capital gain tax (2)
- Q.4 Prepare a "Common-Size Income Statement" with help of the following information

	2011	₹	2010	₹
Sales		200% of COGS		150% of COGS
Cost of Goods Sold		8,00,000		10,00,000
Indirect Expenses.		10% of GP		5% of GP
Rate of Income Tax		50% of NP		50% of NP

(4)

- Q.5 Compute Cash Flow From Operating Activities by applying Direct Method.

Particulars	₹	Particulars	₹
To Cost of Goods Sold	15,53,000	By Sales (Credit)	22,00,000
To Salary	60,000	By Interest Received	10,000
To Rent	58,000		
To Selling Expenses	75,000		
To Depreciation	1,20,000		
To Loss on sale of Fixed Assets	40,000		
To Goodwill Written Off	15,000		
To Payment of Income Tax	54,000		
To Net Profit	2,35,000		
	22,10,000		22,10,000

Particulars	2010	2011
Debtors	3,60,000	4,12,000
Creditors	2,16,000	2,00,000
Stock	1,50,000	2,33,000
Outstanding Salary	8,000	9,000

(4)

Q.6 Compute the cash Flow statement

Liabilities	2012 ₹	2011 ₹	Assets	2012 ₹	2011 ₹
Equity Share Capital	80,000	80,000	Fixed Assets	80,000	82,000
12% Pref. Sh. Cap	20,000	-----	Less: Acc. Dep.	30,000	22,000
General Reserve	4,000	4,000		50,000	60,000
Profit & Loss A/c	2,400	2,000	Debtors	48,000	40,000
15% Debentures	14,000	12,000	Stock	70,000	60,000
Creditors	22,000	24,000	Prepaid Exp.	1,000	600
Provision for Taxation	8,400	6,000	Cash	7,000	2,400
Proposed Dividend	11,600	10,000			
Bank Overdraft	13,600	25,000			
	176000	163000		176000	163000

Additional Informations :

- 1 Tax Paid Rs. 7,000
- 2 Fixed Assests sold for Rs. 10,000, their cost Rs. 20,000 and accumulated depreciation till date of sale on them Rs. 6,000.

(6)

Q.7 Compute Cash Flow From Opreating Activities from the following information

Profit & loss account for the year edded March 31, 2010

Expenses / Losses	2011 ₹	Revenues /Gains	2011 ₹
Rent	10,000	Gross Profit	50,000
Salary	25,000	Profits on sale of Machinery	2,000
Depreciation	5,000		3,000
Loss on sale of equipment	3,000		
Goodwill Written Off	2,000		
Provision for Taxtion	10,000		
	55000		55000

Additional Information	1-Apr	31-Mar
	₹	₹
Provision for Taxation	10,000	18,000
Outsatnding Rent	2,000	2,500
Creditors	21,000	25,000
Debtors	15,000	21,000
Inventories	25,000	22,000
Prepaid Insurance	5,000	5,500
Accured Commission	3,000	2,000
Interest received in adv.	8,000	6,000

(6)