



THE AMERICAN COLLEGE, MADURAI

(An Autonomous Institution Affiliated to Madurai Kamaraj University)

Re-accredited (2nd Cycle) by NAAC with Grade "A", CGPA – 3.46 on a 4-point scale

Backlog Arrear Examination, March 2021

CMC 1440/BCA

Accounting for Managers

Time: 3 Hrs.

Marks: 75

(5*15=75)

WRITE ANY 5 FROM THE FOLLOWING

1. The balance sheets of V Ltd are given for the year 2016 and 2017. Convert them in to Common-Sized balance sheet

Liabilities	2016 (Rs)	2017 (RS)	Assets	2016 (Rs)	2017 (RS)
Equity shares	146800	191000	Buildings	180000	200000
Capital Reserve	50000	70000	Plant and Machinery	40000	55000
Reserves and Surplus	20000	30000	Furniture	10000	20000
Trade Creditors	30000	40000	Freehold Property	20000	12000
Bills payable	80000	60000	Goodwill	25000	30000
Bank Overdraft	90000	80000	Cash balance	25000	20000
Provisions	30000	20000	Debtors	30000	35000
			Inventories	70000	57000
			Temporary Investment	36500	42000
			Bills Receivables	10000	20000
	446800	491000		446800	491000

2. The following is the comparative balance sheet of PRATIMA& co. Ltd. as on 30th June 2000 and 30th June 2001.

Balance sheet

Liabilities	30.6.2000 Rs	30.6.2001 Rs	Assets	30.6.2000 Rs	30.6.2001Rs
Share capital	1,80,000	2,00,000	Goodwill	24,000	20,000
Reserve fund	28,000	36,000	Buildings	80,000	72,000
P&L a/c	39,000	24,000	Machinery	74,000	72,000
Trade creditors	16,000	10,800	Investments	20,000	22,000
Bank overdraft	12,400	2,600	Inventories	60,000	50,800
Provision for taxation	32,000	34,000	Debtors	40,000	44,400
Provision for doubtful debts	3,800	4,200	cash	13,200	30,400
	3,11,200	3,11,600		3,11,200	3,11,600

Additional information:

1. Depreciation charged on machinery rs.10,000 and on Bulidings Rs.8,000

2. Investments sold during the year Rs. 3,000
3. Rs.15,000 interim dividend paid during January 2001
4. Taxes paid during the year rs.30,000

Prepare

- a) A statement of changes in working capital
- b) A funds flow statement

3. (A) Calculate debtors turnover ratio and average debt collection period from the following:

Total sales for the year 2016	1,00,000
Cash sales for the year 2016	20,000
Debtors as on 1.1.2016	10,000
Debtors as on 31.12.2016	15,000
Bills Receivables as on 1.1.2016	7,500
Bills Receivables as on 31.12.2016	12,500

- (B) Calculate creditors turnover ratio and average debt payment period from the following:

Total purchase during 2003	3,00,000
Purchase return	51,000
Cash purchase	30,000
Creditors as on 31.12.2003	105000
Reserve for discount on creditors	8000
Bills Payable as on 31.12.2003	60000

4. Explain over capitalization and under capitalization and their causes.
5. The alpha co., limited is considering the purchase of a new machine and initial cost of each machine Rs. 50000

Year	Net Cash Flow machine A	Net Cash Flow machine B	PV Factor @10%
1	25000	10000	0.91
2	15000	12000	0.83
3	10000	18000	0.75
4	0	25000	0.68
5	12000	8000	0.62
	6000	4000	0.56

Evaluate the proposal under

- a. pay-back period
- b. net present value method
- c. excess present value index

6. Write the factors influencing working capital management
7. Write the difference between Funds Flow Statement and Cash Flow Statement