**Financial Management assignment**

**Submitted by: Salman Tahir**

**I’d: 15173**

**Begalla CORPORATION COMPARATIVE BALANCE SHEET AT DECEMBER 31(IN MILLIONS)**

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| **ASSETS 20X1 20X2 LIABILITIES 20X1 20X2**  |
| Cash $4 $5 Accounts payable $8 $10 Account receivable 7 10 Note payable 5 5  Inventories 12 15 Accrued Wages 2 3 Accrued taxes 3 2Total Current assets $23 $30 Total Current liabilities $18 $20 Net fixed assets 40 40 Long-term debt 20 20  Common stock 10 10  Retained earnings 15 20 Total assets $63 $70 Total $63 $70   |
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**SYDNEY CORPORATION INCOME STATEMENT 20X2(IN MILLIONS)**

Sales $95

Cost of goods sold $50

Selling, general and administration expense 15

Depreciation 3

Interest expense 2 70

Net Profit before taxes $25

Taxes 10

Net income $15

Q1. Prepare a sources and uses of funds statement for Begalla Corporation. (12 marks)

**Sources and uses statement for begalla corporation from December 31, 20x1 to December 31, 20x2(In millions)**

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|  **Sources** |   **Uses** |
| Funds provided by operation: |  |
| Net profit $15 | Dividends. $10 |
| Depreciation. $3 | Addition to fixed assets. $3 |
| Increase, Accrued wages $1 | Increase, Account receivable. $3 |
| Increase, accounts payable $2 | Increase, inventory. $3 |
|  | Decrease, Accrued Taxes. $1 |
|  | Increase, Cash and equivalent $1 |
|   **$21** |  **$21**  |