

Q1. From the following Balance Sheets of B.C.R. Ltd. as at 31-3-2018 and 31-3-2017 prepare a Cash Flow Statement:

Particular	Note No.	31.3.2018 (₹)	31.3.2017 (₹)
I. Equity and Liabilities			
1. Shareholder's Funds			
a. Share Capital		7,00,000	5,00,000
b. Reserve and Surplus		3,50,000	2,00,000
2. Non-Current Liabilities			
a. Long-term Borrowings		50,000	1,00,000
3. Current Liabilities			
a. Trade Payables		1,22,000	1,05,000
b. Short term Provisions (Provision for Tax)		50,000	30,000
		12,72,000	9,35,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets			
i. Tangible Assets	1	5,00,000	5,00,000
ii. Intangible Assets	2	95,000	1,00,000
b. Non-Current Investments		1,00,000	-
2. Current Assets			
a. Inventory		1,30,000	55,000
b. Trade Receivables		1,47,000	80,000
c. Cash & Cash Equivalents		3,00,000	2,00,000
		12,72,000	9,35,000

Notes:

Particular	31.3.2018 (₹)	31.3.2017 (₹)
1 Tangible Assets:		
Equipment	5,00,000	5,00,000
	5,00,000	5,00,000
2 Intangible Assets:		
Goodwill	95,000	1,00,000
	95,000	1,00,000

Additional Information:

Proposed Dividend for the year ended 31st March 2018 was 12% and for the year ended 31st March, 2017 was 10%.

During the year Equipment costing ₹ 1,00,000 was purchased. Loss on sale of Equipment amounted to ₹ 12,000. ₹ 18,000 depreciation was charged on Equipment.

Q2. Summarised Balance Sheets of Surya Vanaspati Ltd. as at 31st March, 2014 and 2013 are:

Particular	Note No.	31.3.2014 (₹)	31.3.2013 (₹)
I. Equity and Liabilities			
1. Shareholder's Funds			
a. Share Capital		6,00,000	6,00,000
b. Reserve and Surplus	1	4,50,000	4,20,000
2. Non-Current Liabilities			
a. Long-term Borrowings	2	1,50,000	-
3. Current Liabilities			
a. Trade Payables		1,30,000	1,70,000
b. Short-term Provision	3	45,000	50,000
		13,75,000	12,40,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets (Tangible)		3,20,000	4,00,000
b. Non-Current Investments		60,000	50,000
2. Current Assets			
a. Current Investments		17,000	20,000
b. Inventory		2,10,000	2,40,000
c. Trade Receivables		5,88,000	4,00,000
d. Cash & Cash Equivalents		1,80,000	1,30,000
		13,75,000	12,40,000

Notes to Accounts:

Particular	31.3.2014 (₹)	31.3.2013 (₹)
1 Reserve & Surplus:		
General Reserve	4,00,000	3,50,000
Surplus, i.e., Balance in Statement of Profit and Loss	50,000	70,000
	4,50,000	4,20,000
2 Long-term Borrowings:		
Mortgage Loan	1,50,000	-
	1,50,000	-
3 Short-term Provision:		
Provision for Tax	45,000	50,000
	45,000	50,000

Additional Information:

1. Non-Current Investments costing ₹ 20,000 were sold during the year 2013-14 at a profit of 20%.
2. Tax paid during the year was ₹ 62,000
3. During the year, part of fixed assets costing ₹ 40,000 was sold for ₹ 50,000 and the profit was included in the Statement of Profit and Loss.
4. An Interim Dividend @ 12% was paid during the year

You are required to prepare Cash Flow Statement.

Q3. You are required to prepare a Cash Flow Statement (as per AS-3) for the year 2017-18 from the following Balance Sheets:

BALANCE SHEET OF A.B.C. LTD
(As at 31st March, 2018 and 31st March, 2017)

Particular	Note No.	31.3.2018 (₹)	31.3.2017 (₹)
I. Equity and Liabilities			
1. Shareholder's Funds			
a. Equity Share Capital (Equity Share Capital)		6,00,000	4,00,000
b. Reserve and Surplus (Statement of P/L)		2,00,000	1,00,000
2. Non-Current Liabilities			
a. Long-term Borrowings		1,00,000	2,00,000
3. Current Liabilities			
a. Short-term borrowings (Bank loan)		-	10,000
b. Trade Payables (Creditors)		1,05,000	1,40,000
c. Short-term Provisions (Provision for Tax)		70,000	40,000
		10,75,000	8,90,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets			
i. Tangible Asset (Building)		6,00,000	6,00,000
ii. Intangible Assets (Patents)		45,000	50,000
b. Non-Current Investments		75,000	-
2. Current Assets			
a. Inventory		15,000	10,000
b. Trade Receivables (Debtors)		2,55,000	2,00,000
c. Cash & Cash Equivalents		85,000	30,000
		10,75,000	8,90,000

Additional Information:

During the year 2017-18:

1. Building costing ₹ 75,000 was purchased
2. An old building, the book value of which was ₹ 63,000., was sold at a loss of ₹ 5,000.
3. Tax provided during the year was ₹ 80,000.
4. Proposed Dividend for the year ended 31st March, 2017 was 20% and for the year ended 31st March, 2018 was 10%.

Q4. From the following Balance Sheets of XLtd., you are required to prepare Cash Flow Statement.

Particular	Note No.	31.3.2018 (₹)	31.3.2017 (₹)
I. Equity and Liabilities			
1. Shareholder's Funds			
a. Equity Share Capital		8,00,000	6,75,000
b. Reserve and Surplus		1,70,000	91,000
2. Current Liabilities			
a. Short term Borrowings	1	88,000	66,000
b. Trade Payables		1,00,000	70,000
c. Short term Provision	2	34,000	26,000
		11,92,000	9,28,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets			
i. Tangible Asset	3	3,75,000	5,00,000
2. Current Assets			
a. Inventory		4,00,000	2,50,000
b. Trade Receivables		3,82,000	1,55,000
c. Cash & Cash Equivalents		10,000	3,000
d. Other Current Assets		25,000	20,000
		11,92,000	9,28,000

Notes:

1. Short-term Borrowings:	31.3.2018	31.3.2017
Bank Overdraft	<u>88,000</u>	<u>66,000</u>
2. Short-term Provision		
Taxation Provision	34,000	26,000
3. Tangible Assets:		

Land	1,50,000	2,00,000
Plant	<u>2,25,000</u>	<u>3,00,000</u>
	<u>3,75,000</u>	<u>5,00,000</u>

Additional Information:

1. Interim Dividend paid during the year ₹ 60,000
2. Land was sold at a profit of ₹ 30,000
3. Plant costing ₹ 20,000 was sold during the year at a loss of ₹ 8,000.

Q5. Perpare a cash Flow Statemennt on the basis of the informantion given in the Balance Sheets of Libra Ltd. as at 31st March, 2013 and 31st March 2012:

Particulars	Note No.	31st March, 2013 (₹)	31st March, 2012 (₹)
I. Equity and Liabilities			
1. Shareholders' Funds			
a. Share Capital		8,00,000	6,00,000
b. Reserve and Surplus	1	4,00,000	3,00,000
2. Non-Current Liabilities			
Long-term Borrowings		1,00,000	1,50,000
3. Current Liabilities			
Trade Payables		40,000	48,000
Total		13,40,000	10,98,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets (Tangible Assets)		8,50,000	5,60,000
b. Non-Current Investments		2,32,000	1,60,000
2. Current Assets			
a. Current Investments		50,000	1,34,000
b. Inventories		76,000	82,000
c. Trade Receivables		38,000	92,000
d. Cash and Cash Equivalents		94,000	70,000
Total		13,40,000	10,98,000

Notes to Accounts:

Particulars	31st March, 2013 (₹)	31st March, 2012 (₹)
1 Reserve and Surplus		
Surplus, i.e., Balance in Statement of Profit and Loss	4,00,000	3,00,000
Total	4,00,000	3,00,000

Q6. Following is the Balance Sheet of Solar Power Ltd. as at 31.3.2014:

Solar Power Ltd.
Balance Sheet

Particulars	Note No.	2013-14 (₹)	2012-13 (₹)
I. Equity and Liabilities :			
1. Shareholder's Funds :			
a. Share capital		24,00,000	22,00,000
b. Reserves and Surplus	1	6,00,000	4,00,000
2. Non Current Liabilities			
Long-Term Borrowings		4,80,000	3,40,000
3. Current Liabilities			
a. Trade Payables		3,58,000	4,08,000
b. Shot-Term provisions		1,00,000	1,54,000
Total		39,38,000	35,02,000
ii. ASSETS :			
1. Non-Current Assets :			
a. Fixed Assets :			
(i) Tangible	2	21,40,000	17,00,000
(ii) Intangible	3	80,000	2,24,000
2. Current Assets :			
a. Current Investments		4,80,000	3,00,000
b. Inventories		2,58,000	2,42,000
c. Trade Receivables		3,40,000	2,86,000
d. Cash and Cash equivalent		6,40,000	7,50,000
Total		39,38,000	35,02,000

S.No.	Particulars	As on 31.3.2014 (₹)	As on 31.3.2013 (₹)
1	Reserves and Surplus		
	Surplus (balance in Statement of Profit and Loss)	6,00,000	4,00,000
2	Tangible Assets		
	Machinery	25,40,000	20,00,000
	Less : Accumulated Depreciation .	(4,00,000)	(3,00,000)
3	Intangible Assets		
	Goodwill	80,000	2,24,000

Additional Information:

During the year a piece of machinery costing ₹ 48,000 on which accumulated depreciation was ₹ 32,000 was sold for ₹ 12,000.
Prepare Cash Flow Statement.

Q7. Following are the Balance Sheets of Quick Gains Ltd.

Particular	Note No.	31.3.2018 (₹)	31.3.2017 (₹)
I. Equity and Liabilities			
1. Shareholder's Funds			
a. Share Capital		2,00,000	2,00,000
b. Reserve and Surplus		1,25,000	20,000
2. Non-Current Liabilities			
a. Long-term Borrowings		75,000	50,000
3. Current Liabilities			
a. Trade Payables		64,000	90,000
b. Short term Provisions (Provision for Tax)		15,000	10,000
		4,79,000	3,70,000
II. Assets			
1. Non-Current Assets			
a. Fixed Assets	1	3,23,000	1,84,000
2. Current Assets			
a. Inventory		72,000	50,000
b. Trade Receivables		51,000	75,000
c. Cash & Cash Equivalents		33,000	59,000
d. Other Current Assets	2	-	2,000
		4,79,000	3,70,000

Notes:

Particular	31.3.2018 (₹)	31.3.2017 (₹)
1 Fixed Assets:	3,75,000	2,20,000
Less: Accumulated Depredation	(52,000)	(36,000)
	3,23,000	1,84,000
2 Other Current Assets:		
Prepaid Expenses	-	2,000
	-	2,000

Additional Information:

1. Contingent Liability	31st March, 2018	31st March, 2017
	₹	₹
Proposed Dividend	28,000	20,000
2. Interest paid on long-term borrowings amounted to ₹ 8,000.		

You are required to prepare a Cash-Flow Statement.

Q8. From the following information, Calculate:

- Cash Flows from Investing Activities.
- Cash Flows from Financing Activities.

Particular	31 March, 2018 (₹)	31 March, 2017 (₹)
Plant & Machinery	10,30,000	8,50,000
Accumulated Depreciation on Plant & Machinery	2,68,000	2,20,000
8% Debentures	3,50,000	5,00,000
Bank Overdraft	3,00,000	2,10,000

Additional Information:

- During the year a machine costing ₹ 1,50,000 was sold at a loss of ₹ 44,000. Depreciation on Plant & Machinery charged during the year amounted to ₹ 80,000.
- Interest paid on Bank Overdraft amounted to ₹ 28,000.
- Debentures were redeemed on 1st October 2017 at a premium of 4%.

Q9. X Ltd., made a profit of ₹ 1,00,000 after considering the following items:

- Depreciation on Fixed Assets ₹ 20,000.
- Writing off preliminary expenses ₹ 10,000.
- Loss on sale of furniture ₹ 1,000.
- Provision for taxation ₹ 1,60,000.
- Transfer to General Reserve ₹ 14,000.
- Profit on sale of machinery ₹ 6,000.

The following additional information is available to you:

Items	31-3-2007 (₹)	33-3-2008 (₹)
Debtors	24,000	30,000
Creditors	20,000	30,000
Bills Receivable	20,000	17,000
Bills Payable	16,000	12,000
Prepaid expenses	400	600

Calculate Cash flow from operating activities.

Q10. Where Purchase of goodwill in Cash Flow Statement Will appear Under?

- Cash flow from Operating Activities
- Cash & cash Equivalent
- Cash flow from Investing Activities
- Cash flow from Financing Activities

Q11. State with reason whether the issue of 9% debentures to a vendor for the purchase of machinery of ₹ 5,000 will result in infolw outflow or no flow of cash while preparing Cash Flow Statement.

Q12. What is meant by 'Cash Equivalents' while preparing Cash Flow Statement?

Or

Give the meaning of Cash Equivalents' for the purpose of preparing Cash Flow Statement.

Q13. State whether conversion of debentures into equity shares by a financing company will result in inflow, outflow or no flow of cash.

Q14. ____ are the acquisition and disposal of long-term assets and other investments not included in cash equivalents. Investing activities relate to purchase and sale of long-term assets or fixed assets such as machinery, furniture, land and building, etc:

1. Financing Activities
2. Operating Activities
3. Investing activities
4. Cash & Cash Equivalents

Q15. Decrease in Current Asset is.....in operating profit.

1. Subtracted
2. Added
3. Divided
4. Multiplied

Q16. 'Payment of dividend' will come under which type of activity while preparing a Cash Flow Statement?

Q17. In which category 'rent received will be classified while preparing the cash flow statment in case of,

1. Real estate Agent and
2. Non real estate agent.

Q18. On an accounting statement of cash flows an "increases(decrease) in cash and cash equivalent" appears as _____.

1. A cash flow from operating activities
2. A cash flow from investing activities
3. A cash flow from financing activities
4. None of the above

Q19. Classify the following activities into (i) Operating Activities, (ii) Investing Activities, and (iii) Financing Activities in case of (a) a Financial Enterprise, and (b)a Manufacturing Enterprise.

1. Purchase of Shares of a Company.
2. Proceeds from sale of Shares.
3. Brokerage paid on purchase of Shares.
4. Loans and Advances made to third parties.
5. Dividend and interest received on Securities.
6. Salary paid to employees.
7. Interest paid on debentures.
8. Dividend paid to Shareholders.

Q20. Identify the following transactions as belonging to (i) Operating, (ii) Investing, (iii) Financing Activities and (iv)Cash Equivalents:

1. Interest paid
2. Interest paid on long-term loans by
 1. Finance Company
 2. Non-finance Company
3. Interest received
4. Interest received on Investments by a bank
5. Interest received on investments by a manufacturing company
6. Dividend received
7. Dividend received by a Mutual Fund Company
8. Purchase of Investments
9. Purchase of Investments by a finance company
10. Purchase of Investments by a non-finance company
11. Bank balance
12. Short-term deposits in banks
13. Bank Overdraft
14. Marketable Securities