

**BHARATIYA VIDYA BHAVAN'S V M PUBLIC SCHOOL, VADODARA**  
**QUESTION BANK**

Illustration No. 1

Calculate Cash Flows from Operating Activities from the following details:

Particulars	Amount in ` 31.3.17	Amount in ` 31.3.16
Balance in Statement of Profit and Loss	55,000	60,000
Trade Receivables	25,000	31,000
Outstanding Rent	12,000	21,000
Goodwill	40,000	38,000
Prepaid Expenses	4,000	2,000
Trade Payables	13,000	19,000

Illustration No. 2

The profit of Philips Ltd. after appropriations was `2,50,000. This profit was arrived at after taking into consideration the following items:

Particulars	Amount in `
Depreciation on Fixed Tangible Assets (Machinery)	20,000
Loss on sale of Fixed Tangible Assets (Furniture)	2,000
Goodwill written off	9,000
Provision for Taxation	35,000
Transfer to General Reserve	17,500
Gain on sale of Fixed Tangible Assets (Machinery)	8,000

Additional information:

Particulars	Amount in ` 31.3.17	Amount in ` 31.3.16
Trade Receivables (all good)	50,000	62,000
Trade payables	45,000	55,000
Inventory	12,000	8,000
Income received in Advance	8,000	-----
Outstanding Expenses	6,000	3,000
Prepaid Expenses	--	5,000

You are required to calculate **Cash from Operating Activities:**

	311500
	(35000)
Cash Flow from operating activities	276500

Illustration No. 3

From the following information calculate the amount of cash flows from Investing Activities:

Particulars	Amount in `31.3.17	Amount in ` 31.3.16
Plant and Machinery	8,50,000	10,00,000
Non Current Investments	40,000	1,00,000
Land (At cost)	2,00,000	1,00,000

Additional Information

(i) Depreciation charged on Plant and Machinery was ` 50,000

(ii) Plant and Machinery with a book value of ` 60,000 was sold for ` 40,000 (iii) Land was sold at a gain of ` 60,000.

Illustration No. 4

From the following information calculate the amount of cash flows from Investing Activities.

Particulars	Amount in `
Land purchased during the year	5,00,000
Non-Current Investment purchased	2,70,000
Fixed Tangible Assets (Machinery) purchased	4,50,000
Fixed Tangible Assets sold (Building)	6,00,000
Sale of Non-Current Investments	1,60,000
Sale of Tangible Fixed Assets (Machinery)	2,10,000
Interest received on Debentures held as Investments	1,10,000
Dividend received on Shares as Investments	30,000

Illustration No. 5

XYZ Ltd., provided the following information, calculate net cash flows from financing activities.

Particulars	Amount in ` 31.3.17	Amount in ` 31.3.16
Equity Share Capital	10,00,000	12,00,000
12% Long-term borrowing (Debentures)	1,00,000	2,00,000

Additional Information:

- (i) Interest paid on Debentures `12,000
- (ii) Dividend paid `50,000

Illustration 6

From the following information, calculate Cash flows from Financing Activities:

Particulars	Amount in ` 31.3.17	Amount in ` 31.3.16
Equity Share Capital	4,00,000	5,00,000
10% Debentures	1,50,000	1,00,000
Securities Premium Reserve	40,000	50,000

Interest paid on debentures 10,000.

Illustration No. 7

Prepare of Cash Flow Statement on the basis of the information given in the balance sheet of ABC Ltd., as at 31.03.2012 & 2011.

Particulars	Note No:	31.3.2017 `	31.3.16 `
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
1. Shareholders funds			
(a) Share capital		70,000	60,000
(b) Reserves and Surplus	1	44,000	8,000
2. <b>Non Current Liabilities</b>			
(a) Long term borrowings:	2	50,000	50,000
3. Current Liabilities		25,000	9,000
(a) Trade payables			
<b>Total</b>		1,89,000	1,27,000
<b>II. ASSETS</b>			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible assets		98,000	84,000
(b) Non current investments		16,000	6,000
(2) CURRENT ASSETS			
(a) Current investments (Marketable)		18,000	20,000
(b) Inventories		49,000	12,000
(c) Cash & Cash		8,000	5,000
<b>Total</b>		1,89,000	1,27,000

Notes :

Particulars	Amount in ` 31.3.17	Amount in ` 31.3.16
<b>1. Reserves &amp; Surplus</b>		
General Reserve	30,000	20,000
Surplus i.e. Balance in Statement of Profit and Loss	14,000	(12,000)
	44000	8000

Additional Information:

(i) Depreciation provided on tangible assets (Machinery) during the year `8,000 (ii)

Interest paid on debentures ` 5,000