

**CASH FLOW STATEMENT**

1. (a) Give two Examples of cash inflow and outflow. 4  
(b) Calculate cash from operating activities from following particulars. 4

₹

Net profit the year 2013	20,000
Debtors on 1 <sup>st</sup> Jan. 2013	10,000
Debtors on 31 <sup>st</sup> Dec. 2013	9,000
Dividends paid	2,000

2. i. Classify the following transaction in to operating, Investment and Financing activates. 4  
(a) Cash Sales (b) Salary Paid (c) Purchases of Machinery (d) Proceeds from Issue of Equity Share

- ii. From the following information calculate cash flow from operating activities 4

₹

Profit made during the year 2013	30,000
Creditors as on 1 <sup>st</sup> Jan. 2013	20,000
Creditors as on 31 <sup>st</sup> Dec. 2013	25,000
Building purchased	15,000

3. i. Match the following 4
- |                           |                           |
|---------------------------|---------------------------|
| (a) Income Tax Refund     | (i) Application of cash   |
| (b) Decrease in creditors | (ii) Financing Activities |
| (c) Cash Equivalent       | (iii) Bank balance        |
| (d) Issue of Equity Share | (iv) Source               |

- ii. (b) Calculate cash from operating activities from following information. 4

₹

Net Profit	1,00,000
Opening Stock	40,000
Closing Stock	30,000
12% Pref Share Issued	40,000

4. i. What is Cash Flow? 2  
ii. The following is the position of current assets and current liabilities of X Ltd. 6

<b>Particulars</b>	<b>2012 (₹)</b>	<b>2013(₹)</b>
Creditors	50,000	40,000
Debtors	80,000	60,000
B/R	32,000	54,000
Prepaid Insurance	10,000	16,000

The company incurred a Profit of ₹ 16,000 during the years. Calculate cash from operating activities.

5. i. What are the various activities classified related to cash flow statement. 3

- ii. From the following information calculate Cash Flow from Investing Activities 5

Particulars	2012(₹)	2013(₹)
Land	2,50,000	3,00,000
Machinery	2,00,000	1,50,000
Furniture	25,000	30,000
Patents	5,000	9,000
12% Debenture	10,000	20,000

6. i. Give four examples of Investing Activities. 4

- ii. From the following particulars calculate Cash Flow from Financing Activities 4

Particulars	2012(₹)	2013(₹)
Equity share cap.	1,00,000	1,50,000
Debenture	40,000	30,000
Loan	60,000	1,00,000
Debtors	40,000	50,000

7. i. Give four examples of Financing Activities. 4

- ii. Calculate cash from Investing Activities 4

Particulars	2012(₹)	2013(₹)
Long term Investment.	1,70,000	1,00,000
Machinery	3,60,000	4,00,000
Equity share capital	1,00,000	1,60,000
Debtors	40,000	50,000

8. i. Give four examples of Operating Activities. 4

- ii. Calculate cash from Financing Activities 4

Particulars	2011(₹)	2012(₹)
Equity share	2,00,000	2,50,000
Debenture	10,000	Nil
Dividend paid on Equity share	Nil	20,000
Plant	40,000	60,000

9. i. Define cash Equivalents and write two Examples of Cash Equivalents. 4

- ii. Calculate cash flow from Financing Activities from following activities 4

Particulars	₹
Redemption of Preference Share	50,000
Issue of Debenture	75,000
Dividend paid during the year	5,000
Machinery sold	10,000

10. From the following Balance sheet calculate Cash Flow form 4+4

- (a) Operating Activities (b) Investing Activities

#### Balance Sheet

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	4,00,000	5,00,000	Land	1,00,000	1,32,000
Profit & Loss A/c	20,000	46,000	Stock	1,60,000	1,80,000
Bill's Payable	1,40,000	90,000	Cash	60,000	94,000
	<b>5,60,000</b>	<b>6,36,000</b>		<b>5,60,000</b>	<b>6,36,000</b>

11. i. Classify the following as sources of cash or Application of cash 4  
 (a) purchases of Fixed Assets (b) Decrease in creditors  
 (c) Increase in Debtors (d) Increase in Bills Payable

- ii. From the following particulars calculate Cash Flow from Financing Activities 4

Particulars	2012(₹)	2013(₹)
Equity share cap.	2,00,000	3,00,000
Preference Share Capital	80,000	50,000
10% Debenture	1,00,000	60,000

12. Calculate Cash Flow form Operating Activities and Investing Activities the following Balance sheet 4+4

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	1,50,000	1,37,000	Plant & Machinery	2,25,000	1,87,500
Profit & Loss A/c	85,000	65,000	Current Assets	40,000	47,500
Current Liabilities	30,000	32,500			
	<b>2,65,000</b>	<b>2,35,000</b>		<b>2,65,000</b>	<b>2,35,000</b>

13. From the following Balance sheet calculate Cash Flow form 4+4  
 (a) Operating Activities (b) Investing Activities

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	2,45,000	2,60,000	Land & Building	1,40,000	1,40,000
Profit & Loss A/c	45,000	75,000	Plant	85,000	1,15,000
Creditors	22,000	15,000	Cash	15,000	30,000
Mortgage	-	15,000	Other current Assets	72,000	75,000
	<b>3,12,000</b>	<b>3,60,000</b>		<b>3,12,000</b>	<b>3,60,000</b>

14. i. Give two example of Cash Inflow from Operating Activities. 4  
 ii. Calculate Cash form Operating Activities from following information. 4

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	10,00,000	7,00,000	Plant & Machinery	8,00,000	5,00,000
Profit & Loss A/c	2,50,000	1,50,000	Stock	1,00,000	75,000
creditors	50,000	40,000	cash	4,00,000	3,15,000
	<b>13,00,000</b>	<b>8,90,000</b>		<b>13,00,000</b>	<b>8,90,000</b>

15. i. Give two example of Cash Outflow from Investing Activities and Financing Actives. 4  
 ii. Calculate Cash Flow form Financing Activities from following information. 4

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	70,000	74,000	Cash	9,000	7,800
Debenture	12,700	6,800	Debtors	14,900	17,700
Creditors	10,360	11,840	Stock	49,200	42,700
Profit & Loss A/c	10,040	11,560	Land	30,000	35,000
	<b>1,03,100</b>	<b>1,03,200</b>		<b>1,03,100</b>	<b>1,03,200</b>

16. i. What is meant by Cash Inflow? 2
- ii. From the following information calculate cash flow from operating activities 6
- | Particulars       | 2012(₹) | 2013(₹) |
|-------------------|---------|---------|
| Stock             | 60,000  | 50,000  |
| Debenture         | 25,000  | 23,000  |
| Creditors         | 32,000  | 28,000  |
| Outstanding Exp.  | 3,500   | 4,500   |
| Bills Payable     | 35,000  | 22,000  |
| Profit & Loss A/c | 80,000  | 90,000  |
17. i. Write two Operating Expenses. 2
- ii. From the following Balance sheet calculate Cash form 3+3
- (a) Operating Activities (b) Financing Activities

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Equity Share Capital	2,00,000	2,50,000	Building	1,30,000	1,00,000
12% P/F Share	50,000	40,000	Plant	40,000	70,000
Profit & Loss A/c	50,000	72,000	Debtors	1,38,000	1,80,000
Creditors	23,000	5,000	Cash	15,000	17,000
	<b>3,23,000</b>	<b>3,67,000</b>		<b>3,23,000</b>	<b>3,67,000</b>

18. Prepare Cash Flow statements from following information 8
- | Particulars          | 31-12-2012 | 31-12-2013 |
|----------------------|------------|------------|
| Debtors              | 50,000     | 40,000     |
| Bills Receivable     | 10,000     | 12,500     |
| Creditors            | 25,000     | 20,000     |
| Outstanding Exp.     | 800        | 1,000      |
| Bills Payable        | 40,000     | 25,000     |
| Accrued Income       | 6,000      | 7,000      |
| Profit & Loss A/c    | 50,000     | 1,80,000   |
| Goodwill             | 80,000     | 60,000     |
| Building             | 40,000     | 70,000     |
| Equity Share Capital | 1,00,000   | 1,80,000   |
| Cash                 | 10,000     | 15,000     |

19. i. Write two example From operating Activities and Investing Activities. 4
- ii. Calculate Cash Flow form operating Activities from following information. 4
- | Particulars                            | ₹      |
|--|--------|
| Net profit for the year                | 50,000 |
| Debtors at the beginning of the year   | 22,000 |
| Debtors at the end of the year         | 30,600 |
| Creditors at the beginning of the year | 20,000 |
| Creditors at the end of the year       | 15,000 |

20. i. What is meant by Cash Out flow. Give two example of Cash Out Flow. 4
- ii. Calculate Cash Flow Form Financing Activities from following information. 4
- | Particulars                      | 2012     | 2013     |
|----------------------------------|----------|----------|
| Equity Share Capital             | 2,00,000 | 2,50,000 |
| Debenture                        | 1,90,000 | 1,80,000 |
| Dividend payable on Equity Share | 20,000   | -        |
| Profit & Loss A/c                | 50,000   | 60,000   |

21. i. What do you mean by Financing Activities? Give two example of Financing Activities. 4  
 ii. Calculate Cash Form Investing Activities from following details. 4

Particulars	2012	2013
Profit & Loss A/c	20,000	50,000
Land & Building	1,00,000	1,10,000
Plant	80,000	50,000
Stock	1,00,000	1,30,000

22. i. How is Cash From Operation calculated? Give specimen. 4  
 ii. From the following information. Calculate Cash form Financing Activities 4

Particulars	2012 (₹)	2013 (₹)
Equity Share Capital	2,00,000	3,00,000
Profit & Loss A/c	80,000	50,000
Debenture	1,00,000	60,000

23. i. Classify the following transaction into Financing and Investing Activities 4  
 (a) Purchases of Investment (b) Redemption of Preference Share  
 (c) Purchases of Machinery (d) Redemption of Debenture  
 ii. Calculate Cash Form Investing Activities from following details. 4

Particulars	2012	2013
Land	2,50,000	75,000
Plant	7,50,000	9,00,000
Creditors	1,00,000	1,50,000
Long term Investment	40,000	90,000
Debtors	70,000	60,000

24. From the following Balance sheet calculate Cash (a) Form Operating Activities (b) Cash Flow From Financing Activities 4+4

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	4,00,000	5,00,000	Land	1,00,000	1,32,000
Profit & Loss A/c	20,000	46,000	Stock	1,60,000	1,80,000
Bills Payable	2,40,000	1,90,000	Debtors	2,40,000	2,30,000
			Cash	1,60,000	1,94,000
	<b>5,60,000</b>	<b>7,36,000</b>		<b>5,60,000</b>	<b>7,36,000</b>

25. Give an Imaginary specimen Format of Cash Flow Statement . 8  
 26. From the following Balance sheet calculate Cash Flow statement. 8

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Equity Share Capital	1,00,000	1,25,000	Goodwill	15,000	10,000
Preference share	25,000	20,000	Plant	70,000	75,000
Profit & Loss A/c	25,000	36,000	Debtors	60,000	80,000
Creditors	11,500	2,500	Cash	7,500	8,500
			Stock	9,000	10,000
	<b>1,61,500</b>	<b>1,83,500</b>		<b>1,61,500</b>	<b>1,83,500</b>

27. i. Give four example from Cash From Investing Activities. 4  
 ii. Calculate Cash Form Operating Activities from the following details. 4

Particulars	2012	2013
Share Capital	1,00,000	1,25,000
Debenture	2,00,000	3,00,000
Profit & Loss A/c	25,000	30,000
Creditors	75,000	70,000
Stock	50,000	30,000
Building	80,000	60,000

28. The following are the Balance Sheet of A & S Ltd. Prepare Cash Flow Statement. 8

**Balance Sheet**

Liabilities	2012(₹)	2013(₹)	Assets	2012(₹)	2013(₹)
Share Capital	1,50,000	1,37,000	Goodwill	75,000	62,500
Profit & Loss A/c	85,000	65,000	Plant	1,50,000	1,25,000
Current Liabilities	30,000	32,000	Other current Assets	25,000	22,500
			Cash	15,000	25,000
	<b>2,65,000</b>	<b>2,35,000</b>		<b>2,65,000</b>	<b>2,35,000</b>

29. i. Write two examples of extra ordinary items. 2  
 ii. Calculate Cash Form Investing Activities from following details. 6

Particulars	Purchases	Sold
Land	6,00,000	2,00,000
Investment	2,20,000	1,00,000
Machinery	3,00,000	2,00,000
Interest received on Investment ₹ 20,000		
Dividend received on share held as investment ₹ 10,000		

30. Classify the following into (a) Operating Activities (b) Investing Activities 8  
 (c) Financing Activities (d) Cash Equivalent

- |                                      |                                |
|--------------------------------------|--------------------------------|
| (i) Cash sales                       | (v) Purchases of Building      |
| (ii) Selling a Distribution expenses | (vi) Bank balance              |
| (iii) Issue of share                 | (vii) Marketable securities    |
| (iv) Dividend paid                   | (viii) Purchases of Investment |

