Q. 7. Calculate 'Cash from operating activities' from the following :—

(*i*) Profits made during the year ₹2,50,000 after considering the following items :—

	₹
(*a*) Depreciation on fixed assets	10,000
(*b*) Amortization of Goodwill	5,000
(*c*) Loss on sale of Machinery	7,000
(*d*) Profit on sale of Land	3,000

(*ii*) **Additional Information :**

	31.3.2018 ₹	*31.3.2017* ₹
Trade Receivables	23,000	22,000
Trade Payables	10,000	15,000
Prepaid Expenses	4,000	6,000

[Ans. Cash from Operating activities ₹2,65,000.]

Narula Ltd. earned a profit of ₹2,00,000 after charging or crediting the following items :—

		₹
(*i*)	Depreciation on Fixed Assets	25,000
(*ii*)	Loss on Sale of Furniture	3,000
(*iii*)	Amortization of Development Cost	8,000
(*iv*)	Provision for Doubtful Debts	2,400
(*v*)	Provision for Taxation	40,000
(*vi*)	Transfer to General Reserve	20,000
(*vii*)	Gain on Sale of Machinery	9,000

The following additional information is given to you :—

	31st March, 2018 ₹	*31st March, 2017* ₹
Trade Receivables	1,00,000	90,000
Trade Payables	60,000	41,000
Outstanding Expenses	1,000	5,000
Prepaid Expenses	2,000	—

You are required to determine the Cash from operating activities.

[Ans. Cash from operating activities ₹2,52,400.]

Hint. It will be assumed that provision for taxation made during the year equals the payment of taxation during the year.

Q. 14. Calculate cash from operating activities from the following Balance Sheets of Himalya Ltd.

Particulars	*Note No.*	*31.3.2018*	*31.3.2017*
I. EQUITY AND LIABILITIES		₹	₹

(1) Shareholder's Funds :			
(*a*) Share Capital		4,00,000	3,00,000
(*b*) Reserve and Surplus	1	1,70,000	80,000
(2) Non-Current Liabilities			
Long-term Borrowings	2	1,50,000	1,00,000
(3) Current Liabilities :			
Trade Payables		40,000	60,000
TOTAL		7,60,000	5,40,000
II. ASSETS :			
(1) Non-Current Assets :			
(*a*) Fixed Assets	3	5,50,000	3,30,000
(*b*) Non-Current Investments	4	50,000	40,000
(2) Current Assets :			
(*a*) Trade Receivables		83,000	1,14,000
(*b*) Cash and Cash Equivalents		77,000	56,000
TOTAL		7,60,000	5,40,000

Notes : (1) Reserve & Surplus :

	31.3.2018	31.3.2017
	₹	₹
General Reserve	1,20,000	1,00,000
Profit & Loss Balance	50,000	(20,000)
	1,70,000	80,000

(2) Long-term Borrowings :

9% Debentures	1,50,000	1,00,000

(3) Fixed Assets :

Machinery	7,00,000	4,40,000
Less : Provision for Depreciation	1,50,000	1,10,000
	5,50,000	3,30,000

(4) Rate of Interest on Investments is 8% p.a.

Additional Information :

(*i*) Additional Debentures were issued on 1st April 2017.
(*ii*) Additional investments were made on 1st April 2017.

[Ans. Net cash from Operating Activities ₹1,50,500.]

Hints : (*i*) Profit during the year :

	₹
(–) Negative Balance of P & L on 31.3.2017	(20,000)
(+) Positive Balance of P & L on 31.3.2018	50,000
	70,000

(*ii*) Bracket denotes negative balance.

Q. 15. Calculate 'Cash from Operating Activities' from the following Balance Sheets :

Particulars	*Note No.*	*31.3.2018*	*31.3.2017*
I. EQUITY AND LIABILITIES :		₹	₹

(1) Shareholder's Funds :			
(*a*) Share Capital		5,00,000	5,00,000
(*b*) Reserve and Surplus		2,00,000	1,20,000
(2) Non-Current Liabilities			
Long-term Borrowings	1	2,50,000	2,00,000
(3) Current Liabilities			
(*a*) Other Current Liabilities	2	—	3,000
(*b*) Short Term Provision	3	75,000	70,000
TOTAL		10,25,000	8,93,000
II. ASSETS :			
(1) Non-Current Assets		5,00,000	4,00,000
(2) Current Assets :			
(*a*) Inventory		2,40,000	2,00,000
(*b*) Trade Receivables		2,00,000	1,80,000
(*c*) Cash and Cash Equivalents		70,000	90,000
(*d*) Other Current Assets	4	15,000	23,000
TOTAL		10,25,000	8,93,000

Notes :		31.3.2018	31.3.2017
		₹	₹
(1)	Long-term Borrowings		
	8% Debentures	2,50,000	2,00,000
(2)	Other Current Liabilities : Outstanding Expenses	—	3,000
(3)	Short term Provision : Provision for Tax	75,000	70,000
(4)	Other Current Assets : Prepaid Expenses	15,000	23,000

[Ans. Cash from Operating activities ₹46,000]

Note : It has been assumed that new debentures have been issued on 31.3.2018. As such, interest on debentures has been calculated on ₹2,00,000.

Q. 19 (A). From the following information, calculate 'cash inflows from operating activities' :—

	₹
Profit & Loss Balance 1-4-2017 (Credit)	5,50,000
Profit & Loss Balance 31-3-2018 (Credit)	8,00,000

Amount transferred to General Reserve	50,000
Income Tax Provision made	1,50,000
Discount on Issue of Debentures written off	10,000
Prepaid Expenses on 1-4-2017	8,000
Loss on Sale of Furniture	1,000
Income from Investment	4,000

[Ans. Cash from operating activities ₹3,15,000.]

Note : It is assumed that Income tax paid during the year is equivalent to provision for Income-Tax made during the year. As such, in addition to adding back in profits, it will also be deducted at the end as tax paid.

Q. 19 (B) From the following information, calculate 'Cash from operating activities':

	₹
Profit & Loss Balance on 1-4-2017 (Debit)	12,000
Profit & Loss Balance on 31-3-2018 (Credit)	60,000
Writing off Preliminary Expenses	10,000
Transfer to General Reserve	40,000
Transfer to Provision for Doubtful Debts	6,000
Increase in Trade Receivables	32,000
Trade Payables on 1-4-2017	60,000
Trade Payables on 31-3-2018	52,000
Prepaid Expenses on 1-4-2017	7,500
Prepaid Expenses on 31-3-2018	5,000
Outstanding Expenses on 1-4-2017	4,000

[Ans. Cash from operating activities ₹86,500.]

Hint :— Net Profit as per Profit & Loss A/c = ₹12,000 + ₹60,000 = ₹72,000.

year was ₹1,50,000. In the beginning of the year, a part of plant was sold for ₹2,20,000 which had a written down value of ₹3,00,000.

Calculate Cash Flow from Investing Activities.

[Ans. Net Cash used in Investing Activities ₹6,00,000.]

Hint. Cash used for purchase ₹8,20,000 and Cash inflow from sale ₹2,20,000

Q. 22. Calculate Cash Flows from Investing Activities from the following information :

Particulars	*31st March 2015*	*31st March 2014*
	₹	₹
Investments in Land	16,00,000	6,00,000
10% Long Term Investments	2,50,000	4,00,000
Plant and Machinery	3,00,000	2,00,000
Goodwill	80,000	15,000

Additional information :

A machine costing ₹40,000 (depreciation provided thereon ₹12,000) was sold for ₹35,000. Depreciation charged during the year was ₹60,000.

(C.B.S.E. 2017, Comptt. Delhi)

[Ans. Net Cash used in Investing Activities ₹10,28,000.]

Notes :

(*i*) It is assumed that investments were sold on 31st March, 2015.

(*ii*) In case it is assumed that investments were sold on 1st April, 2014, interest would be ₹25,000 and Cash used in investing activities would be ₹10,43,000.

Q. 23. From the following information, calculate the Cash Flow from Investing Activities of *X* Ltd.:

Particulars	*31st March, 2013*	*31st March, 2014*
	₹	₹
1. Non-Current Investments	8,00,000	10,00,000
2. Fixed Assets	15,00,000	18,20,000

Additional Information :

(*i*) Half of the Non-Current investments held in the beginning of the year were sold at 15% profit.

(*ii*) Depreciation on Fixed Assets was ₹1,60,000 for the year.

(*iii*) Interest received on Non-Current investments : ₹50,000.

(*iv*) Dividend received on Non-Current investments : ₹20,000.

(*v*) Rent received : ₹25,000.

[Ans. Net Cash used in Investing Activities ₹5,25,000.]

Q. 24. The balance in Plant & Machinery account and Accumulated depreciation account as on March 31, 2015 and 2016 stood as follows :

	31st March, 2015	31st March, 2016
	₹	₹
Plant & Machinery	48,00,000	65,40,000
Accumulated Depreciation	14,05,000	22,10,000

Plant & machinery costing ₹12,80,000 accumulated depreciation thereon ₹5,30,000 was sold at a loss of ₹2,60,000.

You are required to :

(*i*) Compute the amount of plant and machinery purchased, sold and depreciation charged for the year.

(*ii*) How each of the item related to plant & machinery will be reported in the statement of cash flows.

[Ans. (*i*) Inflow from sale of plant & machinery ₹4,90,000 and outflow on purchase of plant & machinery ₹30,20,000 will be reported under the head 'Cash flow from investing activities.'

(*ii*) Loss on sale of plant & machinery ₹2,60,000 and current year's depreciation ₹13,35,000 will be added to net profit while computing cash flow from operating activities.]

Q. 25. From the following particulars, calculate Cash from Investing Activities :

Particulars	*Opening Balances*	*Closing Balances*
	₹	₹
Plant & Machinery (at cost)	8,00,000	7,60,000
Accumulated Depreciation	2,70,000	3,15,000
Patents	3,20,000	2,10,000
Goodwill	1,50,000	1,20,000

Additional Information :

During the year :

(*i*) Depreciation charged on Plant and Machinery ₹80,000.

(*ii*) A machine having a book value of ₹1,40,000 was sold for ₹1,50,000.

(*iii*) Patents having a book value of ₹60,000 were sold for 45,000.

[Ans. Net Cash Flow from Investing Activities ₹60,000.]

Q. 26 (A). D.K. Ltd. provides you the following information :—

Non-Current Investments as on 31-3-2017	₹1,20,000
Non-Current Investments as on 31-3-2018	₹ 40,000

During the year 2018, the company sold 80% of its original investments at a profit of 20% on book value. Calculate sources and uses of cash.

[Ans. Sources ₹1,15,200; Uses ₹16,000.]

Hint :— Prepare Non-Current Investments A/c.

Cash Flow from Financing Activities

Q. 28. Calculate Cash flows from financing activities from the following particulars :

	March 31, 2018 ₹	*March 31, 2017* ₹
Equity Share Capital	12,00,000	7,00,000
8% Preference Share Capital	—	1,00,000
9% Debentures	2,00,000	—
7% Debentures	—	1,00,000

Additional Information :

(*i*) Equity Shares were issued at a premium of 2%.

(*ii*) 8% Preference Shares were redeemed at a premium of 2%.

(*iii*) 9% Debentures were issued at a discount of 1% and 7% debentures were redeemed at a premium of 5%.

(*iv*) Underwriting commission on Equity Shares was paid @ 2.5% on issue price.

(*v*) Interest paid on 7% debentures ₹7,000.

(*vi*) Dividend paid on preference shares ₹8,000.

[Ans. Net Cash from financing activities ₹4,73,250.]

Note : Underwriting Commission will be ₹12,750 *i.e.*, 2.5% on (₹5,00,000 + Premium ₹10,000).

Q. 31. Sony Ltd. provides you the following information. Calculate Cash flows from financing activities :

Particulars	*31st March, 2018*	*31st March, 2017*
	₹	₹
Equity Share Capital	12,50,000	10,00,000
8% Preference Share Capital	2,00,000	—
10% Debentures	—	3,00,000
Investment in Shares	1,50,000	1,00,000

Additional Information :

(*i*) During the year 2017-18, Sony Ltd. issued bonus shares in the ratio of 4 : 1 by capitalising reserve.

(*ii*) 10% Debentures were redeemed on 1 Jan., 2018 at a premium of 5%.

(*iii*) Preference Dividend paid ₹8,000.

(*iv*) Dividend received on Investments ₹10,000.

[Ans. Cash used in Financing Activities ₹1,45,500.]

Q. 36 (A) Following are the Balance Sheets of Quick Gains Ltd. :—

Particulars	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 :			
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
TOTAL		4,79,000	3,70,000

II. ASSETS :			
(1) Non-Current Assets :			
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
TOTAL		4,79,000	3,70,000

Notes :

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

[Ans. Cash from operating activities ₹1,32,000; Cash used in investing activities ₹1,55,000; and Cash used in financing activities ₹3,000.]

Hint : Proposed Dividend for previous year *i.e.*, for the year ended 31st March 2017 will be added to Net Profit before Tax and will also be shown as Outflow under financing activities. There will be no effect of proposed dividend for the year ended 31st March, 2018.

Q. 37. From the following Balance Sheet of Ajanta Limited as at March 31, 2017, prepare a Cash Flow Statement:

Particulars	*Note No.*	*31-3-2017 (₹)*	*31-3-2016 (₹)*
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(*a*) Equity Share Capital		10,00,000	10,00,000
(*b*) Reserves and Surplus	1	2,40,000	1,20,000

(2) Non-Current Liabilities			
Long-Term Borrowings — 9% Debentures		3,20,000	2,40,000
(3) Current Liabilities			
(a) Trade Payables	2	1,80,000	2,40,000
(b) Other Current Liabilities	3	1,80,000	1,60,000
Total		19,20,000	17,60,000
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	4	13,40,000	12,00,000
(b) Non-Current Investments	5	2,40,000	1,60,000
(2) Current Assets			
(a) Inventories		1,20,000	1,60,000
(b) Trade Receivables		1,60,000	1,60,000
(c) Cash and Cash Equivalents		60,000	80,000
Total		19,20,000	17,60,000

Notes to Accounts :

Note No.	Particulars	31-3-2017 (₹)	31-3-2016 (₹)
1.	Reserves and Surplus		
	General Reserve	1,20,000	1,20,000
	Balance in Statement of Profit & Loss	1,20,000	....
		2,40,000	1,20,000
2.	Trade Payables		
	Creditors	1,40,000	1,20,000
	Bills Payable	40,000	1,20,000
		1,80,000	2,40,000
3.	Other Current Liabilities		
	Outstanding Rent	1,80,000	1,60,000
4.	Tangible Assets		
	Plant & Machinery	14,90,000	13,00,000
	Accumulated Depreciation	(1,50,000)	(1,00,000)
		13,40,000	12,00,000
5.	Non-Current Investments		
	Shares in XYZ Limited	2,40,000	1,60,000

Additional Information:

(a) During the year 2016-17, a machinery costing ₹50,000 and accumulated depreciation thereon ₹15,000 was sold for ₹32,000.

(b) 9 % Debentures ₹80,000 were issued on April 1, 2016.

(C.B.S.E. Sample Paper, 2018)

[Ans. Cash from Operating Activities ₹2,16,800; Cash used in Investing Activities ₹2,88,000; and Cash from Financing Activities ₹51,200.]

Q. 38. Prepare 'Provision for Income Tax Account' from the following informations for preparing Cash Flow Statement :

EQUITY AND LIABILITY SIDE OF BALANCE SHEET

	31-03-2016 ₹	31-03-2017 ₹
Provision for Income Tax	2,20,000	1,90,000

Additional Information :

During the year Income Tax paid was ₹2,30,000

[Ans. Provision made for Income Tax ₹2,00,000.]

Q. 39. Prepare 'Provision for Income Tax Account' from the following informations for preparing Cash Flow Statement :

EQUITY AND LIABILITY SIDE OF BALANCE SHEET

	31-03-2016 ₹	31-03-2017 ₹
Provision for Income Tax	1,50,000	1,34,000

Additional Information :

Provision for Income Tax made during the year 2017 was ₹1,70,000.

[Ans. Income Tax paid ₹1,86,000.]

Q. 40. From the following Balance Sheets of Vivek Ltd., prepare Cash Flow Statement :

Particulars	*Note No.*	*31.3.2018*	*31.3.2017*
		₹	₹
I. EQUITY AND LIABILITIES :			
(1) Shareholder's Funds :			
(*a*) Share Capital	1	2,90,000	2,50,000
(*b*) Reserve & Surplus		1,52,000	50,000
(2) Current Liabilities :			
(*a*) Trade Payables		5,000	23,000
(b) Short term Provision	2	35,000	27,000
TOTAL		4,82,000	3,50,000
II. ASSETS :			
(1) Non-Current Assets :			
Fixed Assets :			
(*i*) Tangible Assets	3	1,50,000	1,40,000
(*ii*) Intangible Assets		20,000	30,000
(2) Current Assets :			
(*a*) Inventory		95,000	45,000
(*b*) Trade Receivables		2,00,000	1,20,000
(*c*) Cash & Cash Equivalents		17,000	15,000
TOTAL		4,82,000	3,50,000

Notes : (1) Share Capital :

	31.3.2018 (₹)	31.3.2017 (₹)
Equity Share Capital	2,50,000	2,00,000
Preference Share Capital	40,000	50,000
	2,90,000	2,50,000
(2) Short term Provision :		
Provision for Tax	35,000	27,000
(3) Tangible Assets :		
Building	80,000	1,00,000
Plant	70,000	40,000
	1,50,000	1,40,000

Additional Information :

(*i*) Depreciation charged on Plant was ₹30,000 and on Building ₹50,000.

(*ii*) Income Tax paid during the year amounted to ₹25,000.

[Ans. Cash from operating activities ₹52,000; Cash used in investing activities ₹90,000; and Cash from financing activities ₹40,000.]

Hint. Provision for Tax made during the year ₹33,000.

Q. 41. From the following Balance Sheets of Tarun Fashions Ltd., prepare a Cash-Flow Statement :—

Particulars	*Note No.*	*31.3.2018*	*31.3.2017*
I. EQUITY AND LIABILITIES :		₹	₹
(1) Shareholder's Funds :			
(*a*) Share Capital		1,50,000	1,20,000
(*b*) Reserve and Surplus		1,78,000	75,000
(2) Non-Current Liabilities :			
Long-term Borrowings	1	—	50,000
(3) Current Liabilities :			
(*a*) Trade Payables		31,500	67,000
(*b*) Short term Provisions (Provision for Tax)		42,000	30,000
TOTAL		4,01,500	3,42,000
II. ASSETS :			
(1) Non-Current Assets :			
Fixed Assets :			
(*i*) Tangible Assets	2	2,08,000	1,40,000
(*ii*) Intangible Assets	3	35,000	20,000
(2) Current Assets :			
(*a*) Inventory		1,05,000	1,20,000
(*b*) Trade Receivables		33,500	37,000
(*c*) Cash & Cash Equivalents		20,000	25,000
TOTAL		4,01,500	3,42,000

Notes : (1) Long-term Borrowing :

	31.3.2018 (₹)	31.3.2017 (₹)
15% Debentures	—	50,000

(2) Tangible Assets :

	31.3.2018 (₹)	31.3.2017 (₹)
Building	80,000	1,00,000
Plant & Machinery	1,28,000	40,000
	2,08,000	1,40,000

(3) Intangible Assets :

	31.3.2018 (₹)	31.3.2017 (₹)
Goodwill	35,000	20,000

Additional Information :—

(I) Contingent Liability :

	31.3.2018 (₹)	31.3.2017 (₹)
Proposed Dividend	15,000	12,000

(II) Depreciation of ₹10,000 was provided on Plant & Machinery.

(III) Gain on sale of a part of Building ₹25,000.

(IV) Debentures were redeemed on 1st April, 2017.

(V) Provision for Tax made during the year ₹50,000.

[Ans. Cash from operating activities ₹95,000; Cash used in investing activities ₹68,000; and Cash used in financing activities ₹32,000.]

Hint : (1) Increase in Goodwill will be treated as purchase of Goodwill.

(2) Tax paid during the year ₹38,000.

Q. 42 (A). Prepare a Cash-Flow Statement from the following Balance Sheets of Dry Fruits Ltd. :—

Particulars	*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	84,000	(8,000)
(2) Non-Current Liabilities :			
Long-term Borrowings	2	1,35,000	1,00,000
(3) Current Liabilities			
Trade Payables		68,000	62,000
TOTAL		4,87,000	3,54,000
II. ASSETS :			
(1) Non-Current Assets :			
Fixed Assets	3	1,20,000	1,30,000
(2) Current Assets :			
(*a*) Current Investments (Marketable Securities)		22,000	15,000
(*b*) Inventories		61,000	80,000
(*c*) Trade Receivables		40,000	29,000

(*d*) Cash & Bank Balance		2,44,000	1,00,000
TOTAL		4,87,000	3,54,000

Notes : (1) Reserve & Surplus :

	31.3.2018	31.3.2017
	₹	₹
General Reserve	24,000	—
Profit & Loss Balance	60,000	(8,000)
	84,000	(8,000)

(2) Long-term Borrowings :

12% Mortgage Loan	1,35,000	1,00,000

(3) Fixed Assets :

Machinery	1,45,000	1,60,000
Less : Accumulated Depreciation	25,000	30,000
	1,20,000	1,30,000

Additional Information :—

I. Interest paid on mortgage loan amounted to ₹14,100.
II. Interim Dividend paid during the year ₹20,000.
III. Machinery costing ₹40,000 (accumulated depreciation thereon being ₹18,000) was sold for ₹5,000.

[**Ans.** Cash from operating activities ₹1,70,100; Cash used in investing activities ₹20,000; and Cash from financing activities ₹900.]

Q. 13 (A) Prepare a Cash-Flow statement from the following Balance Sheets of ONIDA Ltd. :—

Particulars	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		1,07,000	25,000
(2) Non-Current Liabilities :			
(*a*) Long-term Borrowings	1	1,20,000	—
(3) Current Liabilities :			
(*a*) Trade Payables		1,39,000	90,000
(*b*) Short term Provision	2	40,000	30,000
TOTAL		6,06,000	3,45,000
II. ASSETS :			
(1) Non-Current Assets :			
(*a*) Fixed Assets :			
(*i*) Tangible Assets		1,80,000	1,20,000
(*ii*) Intangible Assets		34,000	50,000
(2) Current Assets :			
(*a*) Inventory		2,10,000	1,00,000
(*b*) Trade Receivables		1,20,000	50,000
(*c*) Cash & Cash Equivalents		52,000	13,000
(*d*) Other Current Assets		10,000	12,000
TOTAL		6,06,000	3,45,000

Notes : (1) Long-term Borrowings :

	31.3.2018	31.3.2017
	₹	₹
12% Debentures	1,20,000	—

(2) Short term Provision :

Provision for Taxation	40,000	30,000

Additional Information :—

(I) Debentures were issued on 1st October 2017. Interest has been paid up-to date.

(II) Machinery whose original cost was ₹50,000 (accumulated depreciation thereon being ₹27,000) was sold for ₹35,000.

(III) Depreciation on Machinery charged during the year ₹15,000.

(IV) Interim Dividend paid during the year was @ 15% on Share Capital.

[Ans. Cash from operating activities ₹19,200; Cash used in investing activities ₹63,000; and Cash from financing activities ₹82,800.]

Q 45. The Balance Sheets of *X* Ltd. as at 31st March 2018 and 31st March 2017 were as follows :

Particulars	*Note No.*	*31.3.2018* ₹	*31.3.2017* ₹
I. EQUITY AND LIABILITIES :			
(1) Shareholder's Funds :			
(*a*) Share Capital		14,00,000	12,00,000
(*b*) Reserve and Surplus	1	7,40,000	5,80,000
(2) Current Liabilities :			
(*a*) Trade Payables		2,72,000	2,10,000
TOTAL		24,12,000	19,90,000
II. ASSETS :			
(1) Non-Current Assets :			
Fixed Assets		12,00,000	8,00,000
(2) Current Assets :			
(*a*) Inventory		3,10,000	2,00,000
(*b*) Trade Receivables		5,80,000	5,00,000
(*c*) Cash & Cash Equivalents		3,22,000	4,90,000
TOTAL		24,12,000	19,90,000

Notes : (1) Reserve & Surplus :

	31.3.2018 (₹)	31.3.2017 (₹)
General Reserve	4,50,000	4,00,000
Profit & Loss Balance	2,90,000	1,80,000
	7,40,000	5,80,000

Additional Information :

(*i*) Contingent Liability :

	31.3.2018 (₹)	31.3.2017 (₹)
Proposed Dividend	72,000	60,000

(*ii*) Depreciation charged during the year on Plant & Machinery amounted to ₹80,000.

(*iii*) Machinery costing ₹80,000 (book value ₹30,000) was sold at a loss of 40% on book value.

Prepare Cash Flow Statement.

[**Ans.** Cash from operating activities ₹1,84,000; Cash used in investing activities ₹4,92,000; and cash from financing activities ₹1,40,000.]