

From the particulars given below of Jupiter Ltd., prepare the Cash Flow Statement as per AS-3 (Revised) using indirect method :

Equity and Liabilities	31-3-2014	31-3-2013
Equity Share Capital	9,30,000	6,30,000
Profit & Loss A/c	2,80,000	2,64,000
General Reserve	55,000	46,000
10% Debentures	5,90,000	4,90,000
Creditors	45,000	40,000
Accrued Liability	24,000	18,000
Provision for Income Tax	6,000	10,000
Total	19,30,000	14,98,000

Assets	31-3-2014	31-3-2013
Plant	14,30,000	10,10,000
Less : Accumulated Depreciation	(2,06,000)	(1,36,000)
Non-current investments	2,30,000	2,54,000
Inventory	2,88,000	2,20,000
Debtors	94,000	1,10,000
Cash	92,000	30,000
Discount on Issue of Debentures	2,000	10,000
Total	19,30,000	14,98,000

Additional Information:

- Sold plant costing ₹ 20,000 with book value of ₹ 16,000 for ₹ 10,000.
- Sold investments costing ₹ 1,80,000 for ₹ 2,04,000. Some investments were purchased for cash also.
- Issued ₹ 50,000 of debentures at face value in exchange for plant on 31-3-2013. Some plants were purchased for cash also.
- During the year interest received on long-term investments was ₹ 12,000. Interest on debenture was duly paid.
- Provision for tax made during the year was ₹ 14,000. [2015] 11

Ans.

Prepare cash flow statement

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Balance sheet of PQR Ltd.

Particulars	As at 31.3.2013	As at 31.3.2014
I. Equity and liabilities		
<u>Shareholders fund</u>		
Equity share capital	3,00,000	3,50,000
10% preference capital	2,00,000	1,00,000
Reserve and surplus	1,10,000	2,70,000
<u>Non-current liabilities</u>		
10% debentures	1,00,000	2,00,000
Current liabilities	80,000	1,60,000
	7,90,000	10,80,000
II. Assets		
<u>Non-current assets</u>		
Tangible assets (net)	5,10,000	6,20,000
Intangible assets (goodwill)	—	8000
Investment	30,000	80,000
<u>Current assets</u>		
Inventories	1,00,000	197000
Trade receivables	1,00,000	100,000
Cash at bank	40,000	70,000
Other current assets (discount on issue of debentures)	10,000	5000
	7,90,000	10,80,000

Additional information :

- (i) Preference shares were redeemed at a premium of 10% on 31.3.2014
- (ii) Debentures worth Rs. 100,000 were issued on 31.3.2014
- (iii) (a) Dividend on equity and preference shares @ 10% was paid for the year 2012-13 during 2013-14. (b) Interest on debentures was also paid.
- (iv) The assets of another company were purchased for Rs. 50,000 payable in fully paid shares of the Co. These assets consisted of stock of Rs. 22,000, machinery Rs. 20,000 and goodwill Rs. 8000.
- (v) A machine with a book value of Rs. 40,000 was sold for Rs. 25000.
- (vi) Depreciation charges on fixed assets (tangible assets) during 2013-14 was Rs. 60,000. [B. Com 2016]

(15)

From the following details relating to the accounts of Hindustan Ltd. Prepare Cash Flow Statement as per AS-3 (Revised):

Liabilities	Note No.	31-03-2018 (₹)	31-03-2018 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	10,00,000	8,00,000
(b) Reserves and Surplus	2	3,00,000	2,10,000
(2) Non-current Liabilities			
(a) Long-term Borrowings: 10% Debentures		2,00,000	—
(3) Current Liabilities			
(a) Trade Payables	3	7,00,000	8,20,000
(b) Short-term Provisions	4	3,00,000	1,70,000
Total		25,00,000	20,00,000
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets : Tangible Assets	5	13,00,000	9,00,000
(b) Non-Current Investments		1,00,000	—
(2) Current Assets			
(a) Inventories (Stock)		4,00,000	2,00,000
(b) Trade Receivables : Sundry Debtors		5,00,000	7,00,000
(c) Cash in Hand/Bank		2,00,000	2,00,000
Total		25,00,000	20,00,000

Notes to Accounts : (Balance Sheet)

Particulars	31-03-2018(₹)	31-03-2018(₹)
1. Share Capital:		
Equity Share Capital of ₹10 each	10,00,000	8,00,000
2. Reserves and Surplus:		
General Reserve	2,00,000	1,50,000
Surplus i.e., Balance in Statement of Profit and Loss	1,00,000	60,000
	3,00,000	2,10,000
3. Trade Payables:		
Sundry Creditors	7,00,000	8,20,000
4. Short-term Provisions:		
Provision for Taxation	1,00,000	70,000
Dividend Payable	2,00,000	1,00,000
	3,00,000	1,70,000
5. Tangible Assets:		
Plant and Machinery	7,00,000	5,00,000
Land and Building	6,00,000	4,00,000
	13,00,000	9,00,000

Additional Information:

- Depreciation @ 25% was charged on the opening value of Plant and Machinery.
- During the year one old machine costing ₹ 50,000 (WDV ₹ 20,000) was sold for ₹ 15,000.
- Provision for taxation made during the current year ₹ 80,000.
- Building under construction was not subject to any depreciation.

[B. Com. (2015), DU, Modified]

(b) The following is the financial position of ALKA Ltd., 2012 :

Liabilities		31-3-2011	31-3-2012
Equity share capital:			
General reserve		4,50,000	5,00,000
Profit & Loss Account		40,000	70,000
Proposed dividend		30,000	48,000
Creditors		42,000	50,000
Bills payable		55,000	83,000
Provision for taxation		20,000	16,000
		40,000	50,000
		6,77,000	8,17,000
Assets		31-3-2011	31-3-2012
Goodwill		1,15,000	90,000
Land and building		2,00,000	1,70,000
Plant		80,000	2,00,000
Debtors		1,60,000	2,00,000
Stock		77,000	1,09,000
Bills receivable		20,000	30,000
Cash		25,000	18,000
		6,77,000	8,17,000

Additional Information:

- (1) Depreciation of ₹ 15,000 and ₹ 25,000 have been charged on plant and land and building respectively.
 - (2) An interim dividend of ₹ 20,000 has been paid in 2011-12.
 - (3) An income tax of ₹ 35,000 was paid during 2011-12.
- Calculate cash from operating activities as per AS-3 revised.

- (b) Z Ltd. made a profit of ₹ 4,00,000 after considering the following items :
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| (i) Depreciation on fixed assets | ₹ 15,000 |
| (ii) Writing off of preliminary expenses | ₹ 6000 |
| (iii) Loss on sale of furniture | ₹ 900 |
| (iv) Provision for Taxation | ₹ 75,000 |
| (v) Transfer to general reserve | ₹ 5,000 |
| (vi) Profit on sale of building | ₹ 10,000 |

The following additional information is also supplied to you :

Particulars	31st March 2009 ₹	31st March 2010 ₹
Sundry Debtors	15,000	20,000
Sundry Creditors	12,000	17,000
Bills Receivable	14,000	17,500
Bills Payable	9,500	6,000
Outstanding expenses	3,000	2,000
Prepaid expenses	100	200

You are required to ascertain the amount of cash from operations.