

2.9.20

Management Accounts  
B. Com Part III

Chapter Cash flow Statement

Numerical exercise - (12) S.K. Singh.  
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Question. Calculate cash from operating Activities :-

Balance of Profit & Loss A/c	31.3.15	31.3.16
General Reserve	30,000	35,000
outstanding expenses -	10,000	15,000
goods	5,000	3,000
Trade Receivable -	20,000	10,000
	40,000	35,000

20,000 have book value of plant - costing Rs. sold at 18,000 during 2015-16 and depreciation written 5,000

Ans. Calculation of Cash Flow from operating activities

Particulars.	Rs.	Rs.
Net Profit before Tax 35,000 - 3,000	5,000	
Adjustment for non cash / non operating items.		
+ Transfer to Reserve -	5,000	
depreciation	5,000	
goods written off.	10,000	25,000
(-) Profit on sale of plant operating profit before working capital change		(4,000)
+ decrease in current assets.		21,000
decrease sundry debtor -	5,000	5,000
(-) Increase in current liabilities		26,000
decrease in outstanding expense.		(2,000)
Cash from operating Activities		24,000