

Q307

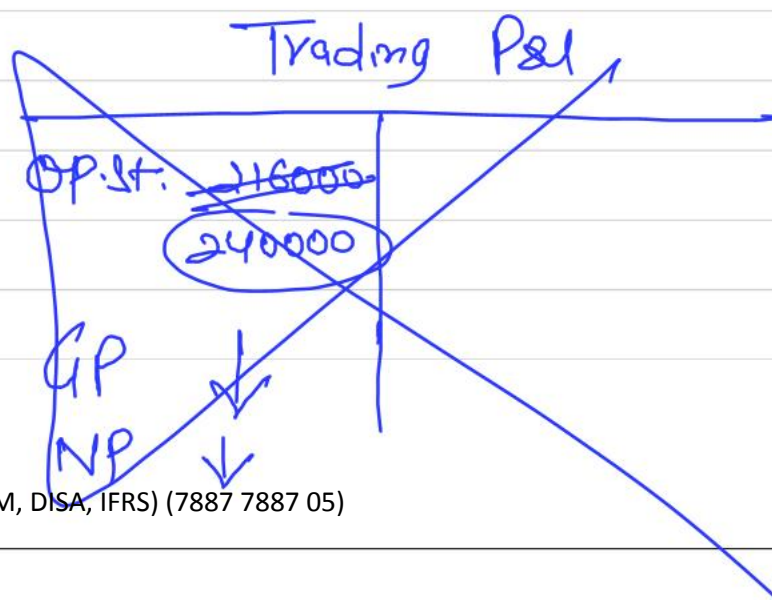
Investment a/c

Opng 10000	By Bank 600 (Pr Acq Divd)
To Bank 25600	Closg 35000
CFIA	

$$\begin{array}{l} \text{Cost } 100 \\ \frac{10\%}{90} \end{array} \quad \begin{array}{l} \text{Opng Inventory} \\ \text{(Cost Less 10\%)} \end{array} = 216000$$

$$\text{Org. Cost of Op Inventory} = \frac{216000}{90} \times 100$$

$$= 240000$$



Surplus

(+) Transfer to GR

(+) Divd De

NPAT

(+) provision Tax

NPBT

(-) Rectification in profit due to Inventory (24000)

Q308

WN-1

Debit

Fr of Redemption = 120000
+ S.I. prem = 6000

Payment 126000

WN-2

Fr of Pref. Redeemed = 120000

(+) S.I. premium = 6000

Payment 126000

← Total premium in p&l = 12000

CFOA (+)

WN-3

PPE a/c (org. cost)

Op. 3200000	By prov. For Dep 80000
To Bank 856000 (Purchase)	By Bank 100000
	By Loss (P&L) 20000
	By prov. For Dep 40000
	By P&L 16000
	Closg 3800000

~~prov. For Dep.~~

TO PPE 80000	Op 920000
TO PPE 40000	Dep 360000
Closg 1160000	

WN-4

Op.
Inventory Shown in B/s = 216000
(Cost Less 10%)

$$\begin{aligned}\text{Org. Cost of Inventory} &= \frac{216000}{90\%} \\ &= 240000\end{aligned}$$

* For Cash Flow Statement, org. cost must be considered, hence NP shall be

Reduced by 24000 (240000 - 216000)
due to increase in Opng Inventory.

WN-5 Opng Dividend payable of 120000
must have been paid in Cy
Hence it is financing activity.
There is no Closg. Divd in B/c
Hence ignore.

CFOA :-

Surplus	100000
(+) Transfer to GR	160000
(+) Cy Divd Declared	0
NPAT	260000

(+) Prov. for Tax	340000
NPBT	600000
(-) Rectification due to op. Inventory	(24000)

(+/-) Adj:

Depreciation	360000
Loss on Sale	20000
PPE w/o	16000
Gain on Sale	(40000)
Int. on Debt	36000

(+/-) WC Changes

Inventory	(60000)
CL	40000
Other CA	44000

Cash Before Tax 10,04,000

(-) Tax paid (360000)

(A) Net Cash generated 6,44,000

CFA

Sale of PPE	100000
Pur. of PPE	(85000)
Sale of Invst	120000

(b) Net Used (636000)

CFFA

Issue of Sh. Cap	400000
Red. of Psc	(126000)
Red. of Deb ⁿ	(126000)
Inter. on Deb ⁿ	(36000)

Divd (Ps) paid (120000)

(-) Net Used (8000)

Q310

1) Land purchased = 300000

(-) Share issue
 $2000 \times 12 = (264000)$

Cash paid 36000

(I)

(-)

2) Pref. Shares Redeemed = 22500 no.
X100

FV = 2250000

(+) S.I. = 112500

Cash paid = 2362500

PSC Dr. 2250000

Prem. Dr. 112500

To Bank 2362500

P&L

112500

To Prem. 112500

Non Cash

(+) Op.

Sale
(-) Exp.

Business Income = 250000 ✓ (NP)
⊕

Prem. on Red.
OF P.F. Sh. Cap. ⇒ P&L

Surplus XXX

(+) Transfer to GR XX

(+) Divd by De XX

(+) Prem. on Red
OF P.F. Sh. Cap. XX

NPAT

Q301

1) 34650 Debt redeemed = financing (-)

2) 1650 Premium $\rightarrow$ op. (+)

3)

Inter.	
To Bank 10100	By op. 275
Closg 1175	Int. 11000 $\rightarrow$ op (+)

$\swarrow$
F (-)

4) Interest on Invest due Allowed = 3500
not receiv. - 10500

$\swarrow$
op (-)

Received = 24500

$\swarrow$
I (+)

Q2901

WN-1

Debtor a/c

Op 250	By Cash 4000
Sale 4150	(Collection)
	Closg. 400

WN-2

Creditor a/c

To Cash 2380	By Bal 230
To Bal 250	By purchase 2400

WN-3

Op's Wagn

Pa. & 790	Op. 40
Closg 50	E.B. Exp 800

WN-4

Tax

Adv. Tax 180	Prov. op. 180
Op. 195	Pa. & 200
To Bank 195	Adv. Tax 195
Prov. Closg 200	Closg

Q401

Cash Flow Statement

1) CFOA :-

Collection from Debtors	4000
(-) payment to Creditors	(2380)
(-) payment to Employees	(790)
(-) Payment of Other Exp	(130)

Net Cash generated before Tax 640

(-) Tax paid (135)

(a) Net Cash generated from oper. Act. = 445

Indirect

CFOA :-

NPBT = 710
(+) Adjust :-

Depreciation = + 100

F. lost = + 60

Other Income = (100)

(+) WC Changes :-

(+) of wages = 10

(+) Of Exp = 10

(+) T. Payables = 20

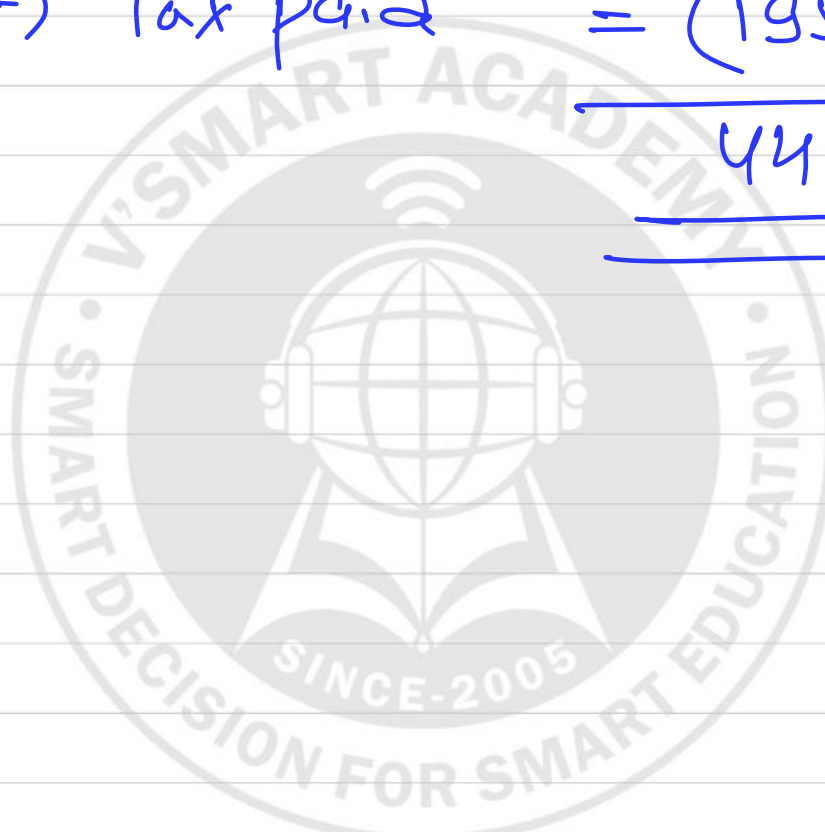
(-) Inventory = (20)

(-) T. Receiv. = (150)

640

(-) Tax paid = (195)

445



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