

CLASS –XII
ASSIGNMENT- 13

SUBJECT – ACCOUNTANCY
TOPIC – SPECIAL PROJECT-2

Specific project -2 CASH FLOW STATEMENT

Following is the balance Sheet of ABC Ltd.

PARTICULARS				31/3/11	31/3/12
A EQUITY & LIABILITIES					
1 Shareholders fund					
Equity share capital				3,00,000	3,50,000
12% preference share capital				2,00,000	1,00,000
Reserves & Surplus					
Statement of profit & loss				31/3/11 31/3/12	
Discount on debentures				1,50,000 2,55,000*	
Preliminary expenses				(10,000)	
				(40,000)	
				1,00,000	2,55,000
2 Non- current liability					
Long term borrowings					
10% debentures				1,00,000	2,00,000
Mortgage loan				1,30,000	1,05,000
3 Current Liabilities					
Trade Payable: Creditors				16,000 30,000	
Bills Payable				12,000 8,000	
				28,000	38,000
Other current liabilities:					
Outstanding expenses				5,000	1,000
Unclaimed dividend					4,000
Short term provisions					
Provision for tax				20,000 25,000	
Proposed dividend				40,000 65,000	
Provision for doubtful debts				10,000 15,000	
				70,000	1,05,000
				<u>9,33,000</u>	<u>11,58,000</u>
B ASSETS					
1 Non Current Assets					
(a) Fixed assets					
Tangible assets					
Building				31/3/11 31/3/12	
Plant & Machinery				4,00,000 2,50,000	
Accumulated depreciation				3,00,000 6,00,000	
				(40,000) (70,000)	
				2,60,000	5,30,000
Intangible assets					
Goodwill				60,000 1,40,000	
Patents				1,00,000 50,000	
				1,60,000	1,90,000
(b) 10% investments				30,000	80,000
2 Current Assets					

Inventories	40,000	25,000		
Debtors (Good)	20,000	30,000		
Cash & cash equivalents	11,000	45,000		
Other current assets				
Prepaid expenses	12,000	8,000	83,000	1,08,000
			9,33,000	11,58,000

ADJUSTMENTS

1. Preference shares were redeemed on 31/3/12 at a premium of 5%.
 2. An interim dividend of 15% was paid on equity shares on 31/3/12. Preference dividend was also paid on 31/3/12.
 3. New shares & debentures were issued on 31/3/12.
 4. Investments costing Rs 20,000 were sold at a profit of 40%.
 5. Plant & Machinery costing Rs 40000 (accumulated depreciation Rs 16,000) were sold for Rs 34,000.
 6. Provision for tax made during the year was Rs 15,000.
 - 7 * profit after writing off preliminary expenses and discount on issue of debentures Rs 15000 (10,000 for the previous year & 5000 for the current year) .
- Prepare cash flow statement. Show your working notes clearly.