

OSF

Date : 11-03-2024

STD 12 Commerce Elements of Account 12th Account Practice Sheet Day 13 (Part 2 - Ch.6)

Total Marks : 35

Section A

* **Choose The Right Answer From The Given Options.** [4]

1. Cash equivalent has
(A) higher liquidity (B) higher solvency (C) higher profitability (D) all of the given
2. Dividend or interest received on investment is
(A) added to cash flow of operating activity
(B) deducted from cash flow of financing activity
(C) added to cash flow of investing activity
(D) deducted from cash flow of investing activity
3. Increase in current assets and decrease in current liabilities means
(A) Both are cash outflow
(B) Both are cash inflows
(C) are cash outflow and cash inflow respectively.
(D) are cash inflow and cash outflow respectively.
4. Current assets and current liabilities are result of.....
(A) Operating (B) Financing activities (C) Investing activities (D) None of the above activities

Section B

* **Answer The Following Questions In One Sentence.** [4]

5. What is cash flow?
6. Give example of two activities emerge from one transaction.
7. Give examples of non-cash transactions and provisions.
8. Which kind of relation is there between cash and cash equivalent with current assets and current liabilities?

Section C

* **Answer The Following Questions.** [15]

9. Explain cash flow from operating transactions of non-finance companies and finance companies.
10. From the following transactions, identify transactions of investing activities:
(i) Salary paid

- (ii) Rent paid
- (iii) Purchase of investments
- (iv) Sales of land
- (v) Purchase of building
- (vi) Interest received on investments
- (vii) Sale of furniture
- (viii) Collection from debtors
- (ix) Payment to creditors
- (x) Issue of equity shares
- (xi) Redemption of debentures
- (xii) Dividend received on investments

11. From the following transactions, identify transactions of financing activities:

- (i) Sale of machine
- (ii) Redemption of preference Share capital
- (iii) Dividend paid
- (iv) Interest paid
- (v) Dividend received
- (vi) Borrowed bank overdraft
- (vii) Purchase of investments
- (viii) Issue of new equity shares
- (ix) Interim dividend paid
- (x) Interest received
- (xi) Borrowed bank loan
- (xii) Commission received

12. From the following information calculate cash flow from operating activities:

| Particulars | 31-3-2017 (Rs.) | 31-3-2016 (Rs.) |
|----------------------|--------------------|--------------------|
| Profit and Loss A/c | 60,000 | 25,000 |
| General reserve | 45,000 | 35,000 |
| Taxation provision | 38,000 | 48,000 |
| Depreciation fund | 42,000 | 32,000 |
| Goodwill | 27,000 | 38,000 |
| Debtors | 49,000 | 39,000 |
| Creditors | 39,000 | 29,000 |
| Outstanding expenses | 12,000 | 17,000 |
| Prepaid expenses | 14,000 | 10,000 |

- (i) Profit on sale of assets Rs. 15,000
- (ii) Loss on sale of furniture Rs. 8,000
- (iii) Income of rent Rs. 48,000
- (iv) Interest paid on debenture Rs. 32,000
- (v) Dividend payment Rs. 10,000

13. From the following given information calculate cash flow from investing activities:

| Particulars | (Rs.) |
|-------------|-------|
|-------------|-------|

| | |
|----------------------------------|----------|
| Sale of non-current investments | 88,000 |
| Purchase of land | 1,48,000 |
| Purchase of machine | 98,000 |
| Sale of furniture | 45,000 |
| Dividend received on investments | 40,000 |
| Paid for goodwill | 32,000 |
| Issue of shares | 1,20,000 |
| Redemption of debentures | 45,000 |
| Loan borrowed | 28,000 |

Section D

* **Answer The Following Questions With Necessary Calculations.** **[12]**

14. From the following details of Mansi Company Ltd, determine and explain transactions influencing operating profit and cash flow from investing activities.

| Particulars | (₹) | Particulars | (₹) |
|------------------------------|-----------|------------------------------|----------|
| Opening balance of furniture | 12,00,000 | Sale of furniture | 4,00,000 |
| Closing balance of furniture | 18,00,000 | Book value of furniture sold | 3,20,000 |
| Depreciation on furniture | 2,00,000 | | |

15. Following are the balance sheets as at 31-3-2016 and 31-3-2017 of Dahod Company Ltd., prepare cash flow statement.

| Particulars | 31-3-2017 (₹) | 31-3-2016 (₹) |
|--|------------------|------------------|
| I Equity and Liabilities : | | |
| (1) Shareholders' Funds | | |
| (a) Share capital | 20,00,000 | 18,00,000 |
| (b) Reserves and surplus | 7,50,000 | 5,00,000 |
| (2) Non-current Liabilities | | |
| 10 % debentures | 5,00,000 | 7,00,000 |
| (3) Current Liabilities | 4,00,000 | 3,00,000 |
| Total | 36,50,000 | 33,00,000 |
| II Assets : | | |
| (1) Fixed assets | | |
| (i) Tangible assets : Land-building | 22,00,000 | 20,00,000 |
| (ii) Intangible assets : Patent | 6,00,000 | 6,00,000 |
| (2) Current assets : (Excluding cash) | 7,00,000 | 6,00,000 |
| Cash and cash equivalent | 1,50,000 | 1,00,000 |
| Total | 36,50,000 | 33,00,000 |

- 16.

Answer the following questions in brief :

(1) Describe the operating activities for the following companies :

(i) Trading companies (ii) Insurance companies (iii) Bank
