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CALCULATION OF CASH FLOWS FROM INVESTING AND FINANCING ACTIVITIES

For the year ended on 31st March, 2021

Particulars	Details (Rs.)	Amount (Rs.)
Cash Flow from Investing Activities		
Sale of Machinery	50,000	
Purchase of Machinery	(6,40,000)	
Purchase of Goodwill	(1,00,000)	
Cash used in Investing Activities		(6,90,000)
Cash Flow from Financing Activities		
Proceeds from Issue of shares	2,00,000	
Proceeds from Long term borrowings	1,00,000	
Repayment of Bank Overdraft	(5,000)	
Payment of Interest on 12% long term borrowings	(48,000)	
Cash inflow from Financing Activities		2,47,000

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Working Notes:

MACHINERY ACCOUNT

Particulars	Rs.	Particulars	Rs.
To Balance b/d	21,00,000	By Bank A/c	50,000
To Profit on Sale	10,000	(Sale of Machinery)	
To Bank A/c (Purchase)	6,40,000	By Depreciation	2,00,000
(balancing figure)		By Balance c/d	25,00,000
Total	27,50,000	Total	27,50,000

