



**CASH FLOW STATEMENT OF RELGA LTD.
For the year ended 31st March, 2019**

Particulars	Details (Rs.)	Amount (Rs.)
Operating Activities		
Profit before Tax and Extra-ordinary items	20,000	
Non-Operating and Non-cash items		
Loss on Sale of Machinery	15,000	
Depreciation Charged on Machinery	20,000	
Goodwill amortized	8,000	
Interest on Debentures	12,000	
Operating profit before changes in working capital	75,000	
Changes in working Capital		
Increase in creditors	20,000	
Increase in Bills Payable	80,000	
Decrease in outstanding expenses	(5,000)	
Increase in inventories	(20,000)	
Increase in trade receivables	(20,000)	
Cash inflow from operating activities		1,30,000
Investing Activities		
Sale of Machinery	15,000	
Purchase of Machinery	(1,00,000)	
Loans advanced	(30,000)	

 Click on the logo to visit the website	Session 2020-21 Sample	Q-32	 Click on logo to visit our Channel
--	---------------------------	------	--

Cash used in investing activities		(1,15,000)
Financing Activities		
Issue of shares	50,000	
Debentures Redeemed	(20,000)	
Interest on Debentures	(12,000)	
Cash from financing activities		18,000
Net Cash inflow during the year		33,000
Add: opening Cash and cash equivalents		65,000
Closing Cash and Cash equivalents		98,000



 Click on the logo to visit the website	Session 2020-21 Sample	Q-32	 Click on logo to visit our Channel
--	---------------------------	------	--

Working Notes:

MACHINERY A/C

Dr.		Cr.	
Particulars	Rs.	Particulars	Rs.
To Balance b/d	2,00,000	By Bank A/c	15,000
To Bank A/c (balancing figure)	1,00,000	By Profit and Loss A/c	15,000
		By Provision for Depreciation A/c	10,000
		By Balance c/d	2,60,000
Total	3,00,000	Total	3,00,000

PROVISION FOR DEPRECIATION A/C

Dr.		Cr.	
Particulars	Rs.	Particulars	Rs.
To Machinery A/c	10,000	By Balance b/d	50,000
To Balance c/d	60,000	By Depreciation A/c (balancing figure)	20,000
Total	70,000	Total	70,000

Cost of the Machine	₹40,000
Accumulated Depreciation	₹10,000
Book Value	₹30,000
Sales Consideration (50% of Book value)	₹15,000
Loss	₹15,000