

30 Oct 2023  
MONDAY

जय श्री गणेशाय नमः

Cash flow Statement  
for the year ended 31<sup>st</sup> march - - -

| Particulars  | ₹ |
|--|---|
| I] Cash Flow from OPERATING ACTIVITY                 |   |
| a] Net Profit before Tax & Extraordinary items (W.N) |   |

Working Note →

Net Profit before Tax & Extraordinary Items

If Starting point is  
'Surplus'  
OR  
'Balance in Statement of P&L A/c'

- Difference between Current Year & Previous Year  
[Balance of P&L (Under Reserve & Surplus)]
- + Transfer to Reserve during the year (C.Y - P.Y)
- + Interim Dividend paid during the year
- + Provision for Tax made (Current Year)
- + Proposed / final Dividend (Previous Year)
- + Extraordinary expenses (if any)
- Refund of Tax (if any)
- Extraordinary Income (if any)

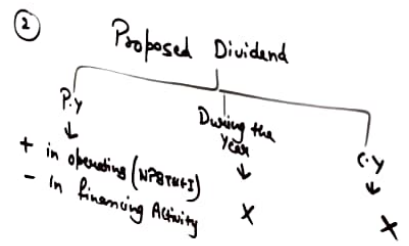
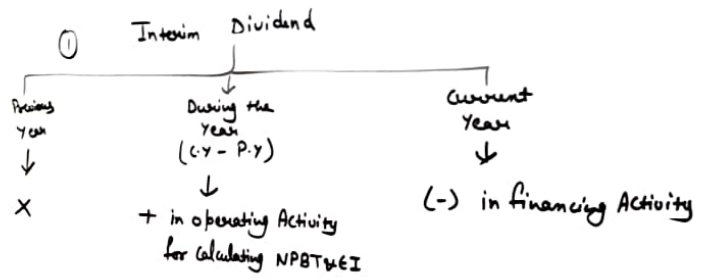
NPBT&EI

If Starting point is  
'Profit as per Statement of  
Profit & Loss A/c'

- Profit as per P&L A/c
- + Provision for Tax made (C.Y)
- + Extraordinary Expenses (if any)
- Refund of Tax (if any)
- Extraordinary Income (if any)

NPBT&EI

Important Treatments →



Date:- 09 Dec-2022

Tuesday

Topic :-

Class :-

Cash flow Statement  
for the year ended 31<sup>st</sup> March ----

| Particulars   | ₹ |
|---|---|
| 1. CASH FLOW FROM OPERATING ACTIVITY :                        |   |
| A] Net profit before Tax & Extraordinary items (working Note) | ? |

Important points :

- 1) Dividend on Preference Shares is paid before Equity Shares.
- 2) If 'Proposed Dividend' is given in Question without any other information then Dividend on Preference Shares is not calculated separately.
- 3) If 'Proposed Dividend on Equity Shares' is given specifically then Dividend on Preference Shares is also calculated separately & paid.
- 4) If 'Interim Dividend' is given only in Question, then Dividend on Preference Shares should be paid always.
- 5) Interim Dividend is paid for full year always whether months are given or not.
- 6) Proposed Dividend on Preference Shares will not be given if no info. is given in Question.

Cash flow Statement  
for the year ended 31<sup>st</sup> March - . . . .

Cash flow from operating ACTIVITY :

|   |  |  |  |     |     |
|---|--|--|--|-----|-----|
| A] Net profit before Tax & Extraordinary Items (W.N)                        |  |  |  |     | —   |
| B] Add: Non cash & non-operating Expenses :                                 |  |  |  |     |     |
| • Depreciation (Tangible Assets)  |  |  |  | —   |     |
| • Amortisation (Intangible Assets)  |  |  |  | —   |     |
| • Interest paid / Dividend paid (other than proposed & Interim)             |  |  |  | —   |     |
| • Written off underwriter's Commission / Shares issue Expenses              |  |  |  | —   |     |
| • Loss on Sale of fixed Assets  |  |  |  | —   |     |
| • Premium on Redemption of Preference Shares                                |  |  |  | —   |     |
|   |  |  |  |     | —   |
| C] Less: Non Cash & non-operating Incomes :                                 |  |  |  |     |     |
| • Interest received / Dividend Received                                     |  |  |  | (—) |     |
| • Rent Received   |  |  |  | (—) |     |
| • Gain on Sale of fixed Asset   |  |  |  | (—) |     |
|   |  |  |  |     | (—) |
| D] operating profit before working Capital changes                          |  |  |  |     | (—) |
| E] Add → ↑ in Current Liabilities (Including provision for Doubtful debts)  |  |  |  |     |     |
| ↓ in Current Assets   |  |  |  | —   |     |
| F] Less → ↓ in Current Liabilities (Including Provision for doubtful debts) |  |  |  | (—) |     |
| ↑ in Current Assets   |  |  |  | (—) |     |
| G] Cash Generated from operations   |  |  |  |     | —   |

Important treatments →

Provision for Tax

If additional information is given

↓  
Provision for Tax A/c is Prepared

↓  
Provision for Tax

| Dr. Particulars               | → | Particulars                           | ← Cr. |
|-------------------------------|---|---------------------------------------|-------|
| To Bank A/c (Tax paid) (B.F)  | - | By balance b/d (Previous year)        | -     |
| To balance c/d (Current year) | - | By Profit & Loss A/c (Tax made) (B.F) | -     |
|                               |   |                                       |       |
|                               |   |                                       |       |

- Tax paid = (-) in operating Activity in End
- Tax made = (+) in NPBT & EI

If additional info is not given

Previous year  
(Tax paid)

↓  
(-) in operating Activity in End

During the year  
↓  
X

Current year  
(Tax made)  
↓  
(+) in NPBT & EI

A) Cash flow/used in OA

B) Cash flow/used in IA

C) FINANCING ACTIVITY :

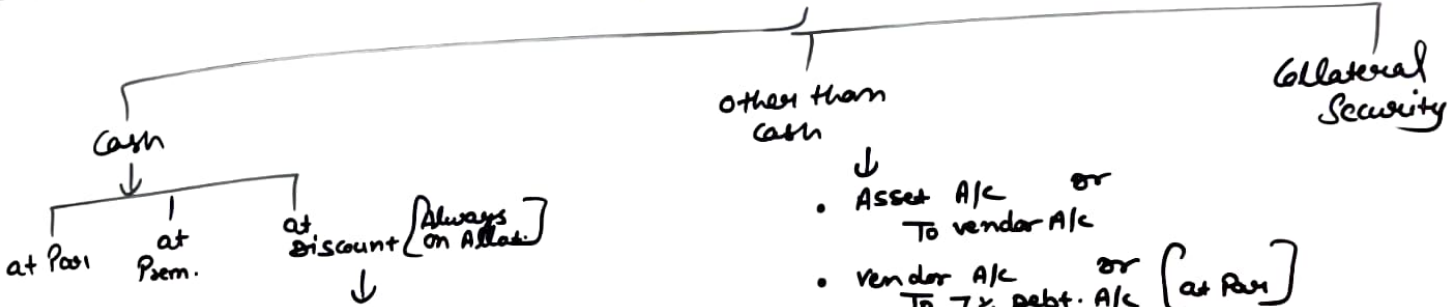
- + • Issue of shares (Including Premium)
  - Issue of Debt. (+ Prem., - Disc.)
  - Loan Taken 

|   |  |
|---|--|
| { | Short term → Bank loan, Bank overdraft,<br>Cash credit |
|   | Long term borrowings → Loan                            |
  - Increase in Security Premium Reserve
  - • Redemption of Pref. Shares, Debt. (Including Prem.)
  - Payment of short term & long term loans.
  - Buy Back of Equity shares (+ Prem.)
  - Interim Dividend, Proposed/Final Dividend,  
Any other Dividend paid.
  - Int. paid (Debt, short term & long term loans)
  - Share Issue expenses / Underwriters' Commission
- Cash flow/used in FA

ate  
2-10-2022  
Wednesday

W 4 H 4

# Issue of Debentures



- Bank A/c Dr.  
To Debt. App. A/c
- Debt. App. A/c Dr.  
To 7% Deb. A/c
- Debt. Allot. A/c Dr.  
Discount on issue of debt. A/c Dr.  
To 7% Debt. A/c Dr.
- Bank A/c Dr.  
To Debt. Allot. A/c Dr.

- Asset A/c Dr.  
To vendor A/c
- Vendor A/c Dr.  
To 7% Debt. A/c [at Par]
- Vendor A/c Dr.  
To 7% Debt. A/c [at Prem.]  
To SPR A/c

$$\left[ \frac{\text{Payment value}}{\text{Par value} + \text{Prem.}} = \text{No. of Debt.} \right]$$

Business Purchase → Asset A/c Dr.  
 or Liab. A/c Dr.  
 To Liab. A/c Dr.  
 To Vendor A/c Dr.  
 To Capital Reserve A/c (B.E)

Last entry → SPR A/c Dr.  
 P&L A/c Dr.  
 To Discount on issue of Debt. A/c