

- 1 a Operating Activity
- b Operating Activity
- c Operating Activity
- d Operating Activity
- e Investing Activity
- f Cash and Cash Equivalents
- g Financing Activity
- h Financing Activity
- i Investing Activity
- j Financing Activity
- k Operating Activity
- l Financing Activity
- m Financing Activity
- n Investing Activity
- o Operating Activity
- p Investing Activity
- q Operating Activity
- r Operating Activity

Overdraft is a borrowing

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	Financial	Non Financial
a	Operating	Investing
b	Operating	Investing
c	Financing	Financing
d	Operating	Investing
e	Operating	Financing
f	Operating	Financing

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a	Cash Inflow	110000
b	Cash Inflow	
c	Cash Outflow	
d	No Cash Flow	
e	No Cash Flow	
f	No Cash Flow	
g	Cash Outflow	

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a	Cash Outflow from Investing activity	50000
	No Cash Flow	200000
b	Cash Outflow from Investing activity	250000 Investment
	Cash Inflow from investing activity	50000 Dividend
c	Cash Inflow from investing activity	60000

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	Balance in Surplus as on 31-Mar-2021	1000000
Less	Balance in Surplus as on 31-Mar-2020	500000
	Addition to Surplus in 2020-2021	500000
Add	Proposed Dividend for year ended 31-Mar-2020	400000
	Net Profit before tax and extra ordinary items	900000

Note :

Proposed dividend for the year ended 31-Mar-2020
is assumed to be paid this year

It is added back here as it is deducted for arriving at
the balance in Surplus as on 31-Mar-2021.

Dividend Payable in balance sheet is a liability and
does not impact Net Profits

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	Balance in Surplus as on 31-Mar-2021	720000
Less	Balance in Surplus as on 31-Mar-2020	400000

	Addition to Surplus in 2020-2021	320000
Add	Proposed Equity Dividend for year ended 31-Mar-202	160000
Add	Interim Dividend	40000
Add	Preference share dividend	60000 (2019-2020)
	Net Profit before tax and extra ordinary items	580000

Note :

Proposed dividend for the year ended 31-Mar-2020
is assumed to be paid this year

It is added back here as it is deducted for arriving at
the balance in Surplus as on 31-Mar-2021.

Unpaid Dividend in balance sheet is a liability and
does not impact Net Profits

Since equity dividend is paid so the preference share
dividend must have been paid

7	Balance in Surplus as on 31-Mar-2021	200000
Less	Balance in Surplus as on 31-Mar-2020	145000
	Addition to Surplus in 2020-2021	55000

Add	Proposed Equity Dividend for year ended 31-Mar-202	50000	
Add	Interim Dividend	10000	
Add	Provision for Tax	50000	CY

Net Profit before tax and extra ordinary items	165000
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8	Closing Balance of Surplus	336000	
Less	Opening Balance of Surplus	100000	
	Addition to Surplus in 2020-2021	236000	
Add	Dividend paid in the current year	72000	
Add	Interim Dividend	90000	
Add	Transfer to Reserves	100000	(Appropriation of profits)
Add	Provision for Tax	150000	(non cash item)
Add	Loss due to earthquake	200000	(Extra Ordinary Loss)
		848000	
Less	Refund of Tax	3000	
Less	Insurance proceeds for loss due to earthquake	100000	(Extra Ordinary Income)
	Net Profit before tax and extra ordinary items	745000	

Note :

Refund of tax is deducted as it is credited to Profit and Loss A/c and hence is included in balance in Surplus

9	Closing Balance of Surplus	672000
Less	Opening Balance of Surplus	-200000
	Addition to Surplus in Current Year	872000
Add	Dividend paid in the current year	144000
Add	Interim Dividend	180000
Add	Transfer to Reserve	200000 (Appropriation of profits)
Add	Provision for Tax	300000 (Profit before tax is required)
Add	Loss due to earthquake	400000 (Extra Ordinary Loss)
		2096000
Less	Refund of Tax	6000
Less	Insurance proceeds for loss due to earthquake	200000 (Extra Ordinary Income)
	Net Profit before tax and extra ordinary items	1890000

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Net Profit before tax and extra ordinary items

447000

Add **Non Cash Expenses**

Depreciation on Machinery

84000

Goodwill Amortised

18600

Less Non Cash Income

Add **Non Operating Expenses and Losses**

Interest on Borrowings

16800

Loss on sale of furniture

18000

Less **Non Operating Income and Gains**

Gain on sale of investments

12000

Interest and Dividend received on investments

27600

Operating Profit Before working capital changes

544800