

O. P. JINDAL SCHOOL, RAIGARH (CG) 496 001, INDIA

Phone: 07762-227042, 227293, (Extn. 227001 - 49801, 02, 04, 06, 09); Fax: 07762-262613; website: www.opjsrgh.in; e-mail: opjsraigarh@jspl.com

CLASS: XII- ACCOUNTANCY

CASH FLOW STATEMENT

Q.1 Why is separate disclosure of cash flow from investing activities important while preparing cash flow statement?

Q.2 Give an example of the activity which remains financing activity for every enterprise.

Q.3 Under which type of activity will you classify 'commission and Royalty received' while preparing cash flow statement?

Q.4 State how cash flow statements are historical in nature.

Q.5 State with reason, whether 'deposit of cash into bank' will result into inflow, outflow or no flow of cash.

Q.6 From the following information, calculate net cash flow from operating activities and investing activities.

| PARTICULARS | 31 st March, 2014 (Rs) | 31 st March, 2015(Rs) |
|---|--------------------------------------|-------------------------------------|
| Profit and Loss | 60,000 | 2,40,000 |
| Provision for Tax | 30,000 | 30,000 |
| Trade Payables | 24,000 | 90,000 |
| Non-current Investments | 60,000 | 48,000 |
| Current Assets (Inventories and Trade Receivables) | 2,76,000 | 3,12,000 |

ADDITIONAL INFORMATION

Tax paid during the year was Rs 18,000. At the end of the year, some of the investments costing Rs 42,000 were sold at a loss of 30%.

Q.7 From the following information, calculate cash flow from investing activities.

| PARTICULARS | CLOSING(Rs) | OPENING(Rs) |
|--------------------------|-------------|-------------|
| Machinery(At cost) | 8,40,000 | 8,00,000 |
| Accumulated Depreciation | 2,20,000 | 2,00,000 |
| Patents | 3,20,000 | 5,60,000 |

ADDITIONAL INFORMATION

(i) During the year, a machine costing Rs 80,000, accumulated depreciation Rs 48,000 was sold for Rs 40,000.

(ii) Patents were written-off to the extent of Rs 80,000 and some Patents were sold at a profit of Rs 40,000.

Q.8 'Sale of marketable securities at par' would result into inflow or outflow of cash .Give reasons in support of your answer.

ACCOUNTING FOR PARTNERSHIP FIRMS (Basic Concept)

Q.9 What are the duties of a partner?

Q.10 Can a partner be exempted from sharing of losses in a firm? If yes, under what circumstances?

Q.11 Would a charitable dispensary run by 8 members be deemed a partnership firm? Give reasons in support of your answer.

Q.12 What do you understand by the term 'Ostensible partner'?

Q.13 Who is a Nominal Partner?

Q.14 Is registration of a partnership firm compulsory or optional?

Q.15 Partners in a firm desire to charge interest on drawings ,however the partnership deed does not provide for charging interest on drawings .State what steps can be taken by the partners so that the firm can charge interest on drawings.

Q.16 State the purpose of allowing interest on capital of a partner.

Q.17 Is a sleeping partner liable for the act of other partners?

Q.18 Why the capital account of a partner does not show a debit balance inspite of regular and consistent losses year after year?

Q.19 Do all forms of business organization prepare a Profit and Loss Appropriation Account?

Q.20 Aman and Raman purchased a building and contributed capital equally to convert the building into a school .They let it out on a rent of Rs 50,000 per annum and share the rental income equally. State whether Aman and Raman are partners.

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