

BCM SCHOOL, BASANT AVENUE, DUGRI, LUDHIANA

XII ACCOUNTANCY (055)

CHAPTER: CASH FLOW STATEMENT

HINT ANSWERS –

Q1

Ans 1. D - Only (i) and (iv)

Ans 2. A - Investments in shares are excluded from cash equivalents unless they are in substantial cash equivalents.

Ans 3. d) Subtracted under Operating Activities as Extraordinary Item and Inflow under Investing Activities also.

Ans 4. c) Added ₹ 1,30,000 under Operating Activities as Loss on Issue of Debentures written off and Inflow of ₹ 18,00,000 under Financing Activities.

Ans 5. Net Cash outflow from Investing Activities (7,51,000)

Ans 6. C. Statement I is correct and Statement II is incorrect.

Ans 7. A. No effect

Ans 8. I-c; II- b; III- a

LONG QUESTIONS

Ans 2. Cash Outflow from Investing Activities (9,28,000)

Ans 3. Cash from Operating Activities 160000

Ans 4. Cash from Operating Activities 2,07,000 Cash from Investing Activities (4,35,000) Cash from Financing Activities 2,40,000