

8.20

Management Account.

B. Com. Part III

Chapter - Cash Flow Statement.

Numerical exercise - 9 S.K. Singh
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Question.

The following is the position of current Assets and liabilities of Z Limited:

	2015	2016
Provision for Bad debts.	1000	19000
short term loans.	10000	10000
creditors -	15000	40000
B/R -	20000	

The company incurred a loss of Rs 45000 during the year. Calculate cash from operating Activity.

Ans.

Calculation of cash flow from operating

Particulars	2015	2016
Net loss during the year.		(45000)
+ decrease in current Assets.	Nil	
+ Increase in current liabilities:		
Short term loan -	9000	9000
(-) decrease in current liability:		(36000)
Decrease in provision for Bad debts -	(1000)	
Decrease in creditors -	(5000)	
Increase in current Assets:		
Increase in B/R -	20000	(26000)
Cash loss from operating Activities		62000