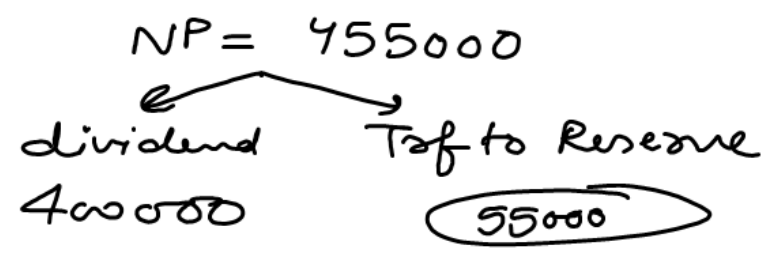


Q 6

FFS	
Sale of L&B 540000	Red of Prof sh. 1000000
FFO 800000	Tax 245000
Use in WC (305000)	Dividend 400000
FFO	
Tax 245000	P on L&B 40000
Epr 140000	FFO (800000)
Prop divd 400000	
T of to Res 55000	

If PBT = 100
 $\frac{-\text{tax} = 35}{\text{PAT} = 65} \quad T$
 $\text{PAT} = 65 (1-T)$

If PAT = 65, tax = 35
 $\text{PAT} = 455000, \text{tax} = \frac{35}{65} \times 455000$
 $= 245000$



Q7

Funds Flow Statement

Sale of Ept	32000	Pur of Investment	158000
FFO	221000	Red of bonds	180000
↓ use in WC	244500	Dividend	37500
		Pur of P&E	122000

Computation of FFO

Try to Res	172500	P on Ept	13000
Divd	37500	ffo	221000
depr	24000		

Plant & Ept

Op	63500	Bank	32000
BK	122000	depr	24000
P&L	13000	ce	142500

$$P = SP - WDV$$

$$13000 = 32000 - 19000$$

$$\uparrow \text{se} = \text{Purchase Cost} - \text{Sale Cost}$$

$$93000 = 122000 - 29000$$

Q8

Funds flow Statement

Loan taken	40000	Repayment of P/D	22000
Sale of FA	250	Prof divid	8000
Issue of Ep. Sh.	20000	Int divid	4000
		LY divid	12500
FFO	71560	Red of Pref Sh.	22000
		Pure of FA	14960
		of Int	15000
		↑ use in WC	33850



Computation of FFO

Bonus Sh.	25000	op	100350
Prof divid	8000	Res for repl	5000
Int divid	4000	Revaluation of P&M	3000
Prop divid	24000		
Loss on FA	950		
Prem on Pref Sh.	2000	FFO	71560
depts	13260		
ce	102700		

Schedule of change in WC

	+	-
Stock	6000	
Drs		1300 000
Bank	20250	
CRS.	8900.	

$$WDV = \text{Cost} - \text{acc depr}$$

$$1200 = 6000 - 4800$$

$$\text{Loss} = WDV - SP$$

$$= 1200 - 250$$

$$= 950$$

FA

op	240070	acc depr	4800
P&L	3000	Bank	250
Dr	1700	P&L	950.
Bank	14960	ce	253730

Pror for depr

FA	4800	op	90020
		P&L	13260
ce	98480		

Drut

op	61000		
Blk	15880	ce	76000

Prop divid on Eq.

Bank	12000	op	12000
		P&L	24000
ce	24000		

10% Pref Sh.

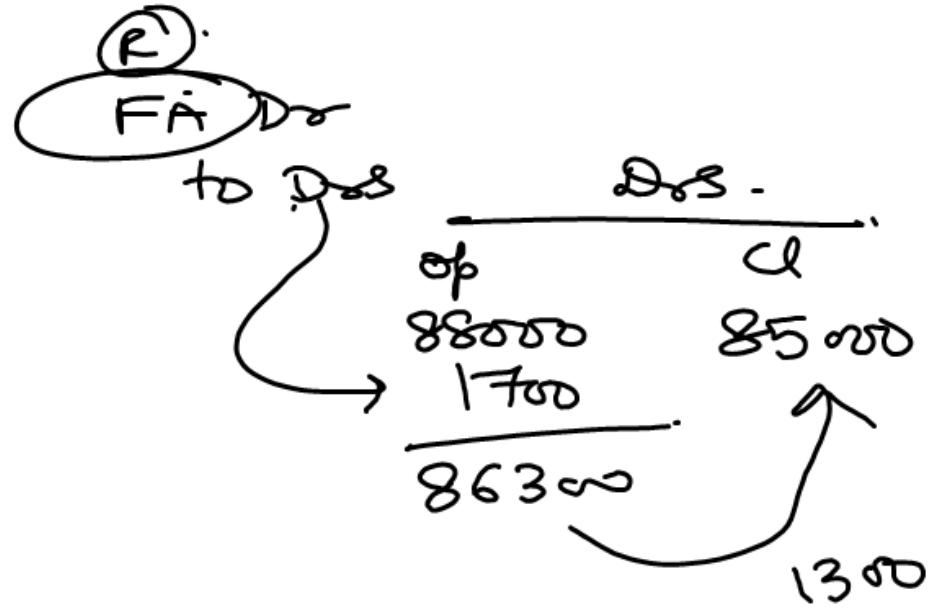
Bank	20000	op	10000
ce	80000		

Sp Sh. cap

		op	75000
		P&L	25000
ce	120000	Bank	20000

✓
FA Dr
to Bal

x
Das Dr
to Bal



Q9	31.3.06	31.3.07	B/S.	31.3.06	31.3.07
<u>Sh. fund.</u>			<u>AFCA</u>		
Sh. capital	50.0.	50.0	FA	80.0.	131.20
R&S.	10.0.	¹⁰ <u>+8.6</u> 18.60	Invnt	20.0.	—
^{NCL} 8% deb ⁿ	40.0.	20.0	<u>CA</u> Stock	20.0.	26.4
<u>Cl</u> Cash credit	10.0	10.0	D&S.	10.0	13.2
S.C&S.	20.0.	26.4	Cash & Bk	7.5	5.9
Prop divid	7.5	10.0	Adv tax	—	18.6
Prov for tax	—	18.6			

$$\begin{aligned} \text{Sales (07)} &= 100 \times 120\% \times 110\% \\ &= 132 \end{aligned}$$

$$\text{Red of deb}^n = 20 + 10\% = 22$$

$$\text{Sale of InvT (at BV)} = 20$$

$$\frac{\text{EBIT}}{S} = 0.30$$

$$\text{EBIT} = 0.30 \times 132 = 39.60$$

$$\begin{aligned} I &= 8\% \cdot 40 \times \frac{6}{12} + 8\% \cdot 20 \times \frac{6}{12} \\ &= 2.40 \end{aligned}$$

$$\begin{array}{r} \text{EBIT} \quad 39.60 \\ - I \quad 2.40 \text{ €} \\ \hline \text{EBT} \quad 37.20 \\ - T @ 50\% \quad 18.60 \\ \hline \text{EAT} \quad 18.60 \end{array}$$

$$\begin{array}{l} \text{dividend} \\ 20\% \cdot 50 = 10 \end{array} \quad \begin{array}{l} \text{To Reserves} \\ \text{8.6} \end{array}$$

$$\frac{\text{Stk}}{S} : \quad \frac{20}{100} = \frac{\text{new Stk}}{132}$$

$$\text{New Stock} = 26.40$$

$$\frac{\text{Drs}}{S} : \quad \frac{10}{100} = \frac{\text{new drs}}{132}$$

$$\text{New drs} = 13.20$$

$$\frac{\text{Sales}}{\text{avg FA}} = 1.25$$

$$\text{avg FA} = \frac{132}{1.25} = 105.60$$

$$\frac{\text{Op FA} + \text{Cl FA}}{2} = 105.60$$

$$80 + \text{Cl FA} = 211.2$$

$$\text{Cl FA} = 131.20$$

$$\frac{\text{CRS}}{S} = \frac{20}{100} = \frac{\text{new CRS}}{132}$$

$$26.4 = \text{new CRS}$$

$$\text{old CR} = \frac{20 + 10 + 7.5}{10 + 20} = 1.25$$

$$\frac{\text{new CR} = 26.4 + 13.2 + \text{Cash \& BK}}{1.25} = \frac{10 + 26.4}{1.25}$$

$$5.90 = \text{Cash \& BK}$$

Ratio → ~~FA~~ Net ~~FA~~

FA → FA-defor.

Sales → net sales → S-S.net.

Dys → net dys → Dys → ~~purfor~~

Tax → ~~net tax~~ → ~~purfor tax~~ - ~~adv tax~~

FA

op 80

depo 15

BK 66.20

ce 131.2

