

TASK 3.51
Mega (Pty) Ltd: Identify missing figures
MEGA (PTY) LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 20.2

	Note		
Cash flows from operating activities		65 730	a
Cash generation from operations	1	140 830	b
Interest paid		(8 250)	c
Dividends paid		(38 000)	d
Income tax paid		(28 850)	
Cash flows from investing activities		(243 730)	e
Purchase of non-current assets		(268 930)	f
Sale of non-current assets at carrying value		7 200	
Cash effects of changes in financial assets		18 000	g
Cash flows from financing activities		190 000	h
Proceeds of shares issued		240 000	i
Repayment of long-term loans		(50 000)	
Net change in cash equivalents		(12 000)	j
Cash and cash equivalents – beginning of year		58 000	
Cash and cash equivalents – end of year		46 000	

Notes to the Cash Flow Statement for the year ended 30 June 20.2

1. Reconciliation between profit before taxation and cash generated from operations			
Net profit before tax as per Income Statement		92 500	k
Adjustments in respect of:			
Interest expense		8 250	l
Non-cash items: Depreciation		24 080	
Operating profit before changes in working capital		124 830	m
Changes in working capital:		16 000	n
Increase / decrease in inventories		(20 000)	
Increase / decrease in debtors		17 000	
Increase / decrease in creditors		19 000	
Cash generated from operations		140 830	o

Working:

Income tax: $3\ 000 + 28\ 850 - 4\ 100 = 27\ 750$

Net profit before tax: $27\ 750 \times \frac{100}{30} = 92\ 500$

Dividends paid: $(150\ 000 \times 12c) + (250\ 000 \times 8c) = 18\ 000 + 20\ 000 = 18\ 000$

Fixed assets purchased: $1\ 150\ 650 + 7\ 200 + 24\ 080 - 913\ 000 = 268\ 930$

Proceeds of shares issued: $100\ 000 \times 240c = 240\ 000$