



Finance and Risk Management

Handout 2E

Sample Cash Flow

Cash flow from Operations

Net income	70 000
Depreciation	65 000
Increase in Accounts Receivable	(55 000)
Decrease in Inventory	10 000
Increase in Accounts Payable	20 000
Decrease in Taxes Payable	(20 000)
Net Cash Flow from Operations	90 000

Cash Flow from Investments

Equipment	(10 000)
Cash flow From Financing	
Interest Payable	2000
<u>Net Increase / Decrease in Cash</u>	<u>82 000</u>