

Dells Company
Statement of Cash Flows
For Year Ended June 30, 2015

Cash flows from operating activities:

Net Income	\$ 70,000.00	
Adjustments to reconcile net income to net cash:		
Depreciation expense	\$ 20,000.00	
Loss on sale of equipment	7,000.00	
Increase in Accounts Receivable	(60,000.00)	
Increase in Merchandise inventory	(30,000.00)	
Increase in Prepaid rent	(10,000.00)	
Increase in Accounts Payable	10,000.00	
Decrease in Salaries Payable	(10,000.00)	
Increase in Federal income Taxes Payable	<u>10,000.00</u>	
Total adjustments	\$ (63,000.00)	
Net cash provided by operating activities		\$ 7,000.00

Cash flows from investing activities:

Cash received from sale of equipment	\$ 3,000.00	
Cash paid for new equipment	<u>(220,000.00)</u>	
Net cash used by investing activities		\$ (217,000.00)

Cash flows from financing activities:

Cash paid for notes payable	\$ (50,000.00)	
Cash received from issuing stock	250,000.00	
Cash paid for dividends	<u>(40,000.00)</u>	
Net cash provided by financing activities		\$ 160,000.00
 Net Increase (or Decrease) in Cash		 \$ (50,000.00)
 Cash Balance, 2014		 \$ 80,000.00
Cash Balance, 2015		<u>\$ 30,000.00</u>