

# Statement of Cash Flows

Sample Company, Inc.  
For the Year Ended December 31, 2023

## Cash Flows from Operating Activities

Net Income	45,000
Adjustments to reconcile net income to net cash:	
Depreciation & Amortization	5,000
Increase in Accounts Receivable	(2,000)
Increase in Accounts Payable	1,500
Other Adjustments	(800)
<b>Net Cash Provided by Operating Activities</b>	<b>48,700</b>

## Cash Flows from Investing Activities

Purchase of Equipment	(10,000)
Proceeds from Sale of Assets	1,800
<b>Net Cash Used in Investing Activities</b>	<b>(8,200)</b>

## Cash Flows from Financing Activities

Proceeds from Issuance of Stock	6,000
Repayment of Loans	(3,000)
Dividends Paid	(2,500)
<b>Net Cash Provided by Financing Activities</b>	<b>500</b>

<b>Net Increase in Cash and Cash Equivalents</b>	<b>41,000</b>
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Cash and Cash Equivalents at Beginning of Year	17,000
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Cash and Cash Equivalents at End of Year	58,000
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## Important Notes:

- The Statement of Cash Flows reports cash inflows and outflows from operating, investing, and financing activities.
- This document helps assess a company's liquidity, solvency, and financial flexibility.
- Positive cash flow from operations is generally a good sign of financial health.
- Non-cash items (such as depreciation) are added back to net income in the operating section.
- The cash balance at the end should match the balance sheet's "cash and cash equivalents."