

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)
Net Cash Provided by Operating Activities		48,700
Cash Flows from Investing Activities		
	Purchase of Equipment	(10,000)
	Proceeds from Sale of Assets	1,800
Net Cash Used in Investing Activities		(8,200)
Cash Flows from Financing Activities		
	Proceeds from Issuance of Stock	6,000
	Repayment of Loans	(3,000)
	Dividends Paid	(2,500)
Net Cash Provided by Financing Activities		500
Net Increase in Cash and Cash Equivalents		41,000
Cash and Cash Equivalents at Beginning of Year		
	Cash and Cash Equivalents at End of Year	58,000

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".