

# Section-wise Cash Flow Statement for Profit Measurement

## A. Cash Flow from Operating Activities

Description	Amount (USD)
Cash Received from Customers	120,000
Cash Paid to Suppliers	(60,000)
Cash Paid for Operating Expenses	(25,000)
Income Tax Paid	(8,000)
<b>Net Cash from Operating Activities</b>	<b>27,000</b>

## B. Cash Flow from Investing Activities

Description	Amount (USD)
Purchase of Property/Equipment	(10,000)
Sale of Investments	2,500
<b>Net Cash from Investing Activities</b>	<b>(7,500)</b>

## C. Cash Flow from Financing Activities

Description	Amount (USD)
Loan Received	20,000
Dividend Paid	(5,000)
Repayment of Borrowings	(10,000)
<b>Net Cash from Financing Activities</b>	<b>5,000</b>

## D. Net Increase/(Decrease) in Cash and Cash Equivalents

Opening Cash & Cash Equivalents	15,000
Add: Net Increase/(Decrease) from above	24,500
<b>Closing Cash &amp; Cash Equivalents</b>	<b>39,500</b>

### Important Notes:

- This cash flow statement helps measure actual cash-generated profit, not just accounting profit.
- Section-wise separation aids in understanding core operations, investment, and financing flows.
- Non-cash transactions are excluded, focusing only on real inflows and outflows.
- Always reconcile opening and closing cash balances for accuracy.
- Use this layout for assessing liquidity and operational efficiency each period.