

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements

**INCOME STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

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Revenue	\$ 800,000
Operating Expenses	\$ 770,000
Depreciation expense	\$ 20,000
Total expenses	<u>\$ 790,000</u>
Net Income	<u>\$ 10,000</u>

**Explanation:**

Using the Income Statement, Balance Sheet, and the additional information provided with each scenario, determine your **cash flow**. As a help, fill in the Cash Flow Statements.

For extra credit, fill in your ending **Balance Sheets**.

**BALANCE SHEET (Beginning)**

**As of  
12/31/2004**

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Cash	\$ 50,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 100,000
Total Assets	<u>\$ 400,000</u>
Accounts Payable	\$ 100,000
Net Assets	\$ 300,000
Total Liab's & Net Assets	<u>\$ 400,000</u>

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario I:**

**No change in receivables or payables. No purchases or sales of fixed assets.**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending 12/31/2005</b>
Net Income	<input style="width: 100%; height: 20px;" type="text"/>
Depreciation expense	<input style="width: 100%; height: 20px;" type="text"/>
Change in Receivables	<input style="width: 100%; height: 20px;" type="text"/>
Change in Payables	<input style="width: 100%; height: 20px;" type="text"/>
Purchase of Fixed Assets	<input style="width: 100%; height: 20px;" type="text"/>
Net Cash Flow	<input style="width: 100%; height: 20px; border-bottom: 3px double black;" type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario II:**

**Receivables down by \$50,000. No other changes.**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending <u>12/31/2005</u></b>
Net Income	<input style="width: 100%;" type="text"/>
Depreciation expense	<input style="width: 100%;" type="text"/>
Change in Receivables	<input style="width: 100%;" type="text"/>
Change in Payables	<input style="width: 100%;" type="text"/>
Purchase of Fixed Assets	<input style="width: 100%;" type="text"/>
Net Cash Flow	<input style="width: 100%;" type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario III:**

**Receivables up by \$45,000. No other changes.**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending 12/31/2005</b>
	<hr/>
Net Income	<input style="width: 100%;" type="text"/>
Depreciation expense	<input style="width: 100%;" type="text"/>
Change in Receivables	<input style="width: 100%;" type="text"/>
Change in Payables	<input style="width: 100%;" type="text"/>
Purchase of Fixed Assets	<input style="width: 100%;" type="text"/>
Net Cash Flow	<input style="width: 100%;" type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario IV:**

**Payables up \$25,000. No other changes.**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending 12/31/2005</b>
Net Income	<input type="text"/>
Depreciation expense	<input type="text"/>
Change in Receivables	<input type="text"/>
Change in Payables	<input type="text"/>
Purchase of Fixed Assets	<input type="text"/>
Net Cash Flow	<input type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario V:**

**Payables down \$35,000. No other changes.**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending 12/31/2005</b>
Net Income	<input type="text"/>
Depreciation expense	<input type="text"/>
Change in Receivables	<input type="text"/>
Change in Payables	<input type="text"/>
Purchase of Fixed Assets	<input type="text"/>
Net Cash Flow	<input type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

Cash Flow Statements

**Scenario VI:**

**Purchase fixed assets for \$10,000**

<b><u>CASH FLOW STATEMENT</u></b>	
	<b>For the 12 Months Ending 12/31/2005</b>
Net Income	<input type="text"/>
Depreciation expense	<input type="text"/>
Change in Receivables	<input type="text"/>
Change in Payables	<input type="text"/>
Purchase of Fixed Assets	<input type="text"/>
Net Cash Flow	<input type="text" value="\$ -"/>

What's my cash flow?

**WHAT'S MY CASH FLOW?**

**EXTRA CREDIT - Balance Sheets**

For extra credit, complete the Balance Sheets for each scenario. You will need your beginning Balance Sheet, which is the same for all scenarios, your Income Statement, also the same, and the assumptions for each scenario.

This is good practice to see how all three statements relate to each other!

**Scenario I:**

**No change in receivables or payables. No purchases or sales of fixed assets.**

<b><u>BALANCE SHEET (Ending)</u></b>	
<b>As of</b>	
<b>12/31/2005</b>	
Cash	
Grants Receivable	
Fixed Assets- net	
<b>Total Assets</b>	
Accounts Payable	
Net Assets	
<b>Total Liab's &amp; Net Assets</b>	



**WHAT'S MY CASH FLOW?**  
EXTRA CREDIT - Balance Sheets

**Scenario II:**

**Receivables down by \$50,000. No other changes.**

<b><u>BALANCE SHEET (Ending)</u></b>	
	<b>As of 12/31/2005</b>
Cash	<input type="text"/>
Grants Receivable	<input type="text"/>
Fixed Assets- net	<input type="text"/>
<b>Total Assets</b>	<hr/> <hr/>
Accounts Payable	<input type="text"/>
Net Assets	<input type="text"/>
<b>Total Liab's &amp; Net Assets</b>	<hr/> <hr/>

**WHAT'S MY CASH FLOW?**  
EXTRA CREDIT - Balance Sheets

**Scenario III:**

**Receivables up by \$45,000. No other changes.**

<b><u>BALANCE SHEET (Ending)</u></b>	
	<b>As of 12/31/2005</b>
Cash	<input type="text"/>
Grants Receivable	<input type="text"/>
Fixed Assets- net	<input type="text"/>
<b>Total Assets</b>	<hr/> <hr/>
Accounts Payable	<input type="text"/>
Net Assets	<input type="text"/>
<b>Total Liab's &amp; Net Assets</b>	<hr/> <hr/>

**WHAT'S MY CASH FLOW?**  
EXTRA CREDIT - Balance Sheets

**Scenario IV:**

**Payables up \$25,000. No other changes.**

<b><u>BALANCE SHEET (Ending)</u></b>	
	<b>As of 12/31/2005</b>
Cash	<input type="text"/>
Grants Receivable	<input type="text"/>
Fixed Assets- net	<input type="text"/>
<b>Total Assets</b>	<hr/> <hr/>
Accounts Payable	<input type="text"/>
Net Assets	<input type="text"/>
<b>Total Liab's &amp; Net Assets</b>	<hr/> <hr/>

**WHAT'S MY CASH FLOW?**  
EXTRA CREDIT - Balance Sheets

**Scenario V:**

**Payables down \$35,000. No other changes.**

<b><u>BALANCE SHEET (Ending)</u></b>	
	<b>As of 12/31/2005</b>
Cash	<input type="text"/>
Grants Receivable	<input type="text"/>
Fixed Assets- net	<input type="text"/>
<b>Total Assets</b>	<hr/> <hr/>
Accounts Payable	<input type="text"/>
Net Assets	<input type="text"/>
<b>Total Liab's &amp; Net Assets</b>	<hr/> <hr/>

**WHAT'S MY CASH FLOW?**  
EXTRA CREDIT - Balance Sheets

**Scenario VI:**

**Purchase fixed assets for \$10,000**

<b><u>BALANCE SHEET (Ending)</u></b>	
	<b>As of 12/31/2005</b>
Cash	<input type="text"/>
Grants Receivable	<input type="text"/>
Fixed Assets- net	<input type="text"/>
<b>Total Assets</b>	<hr/> <hr/>
Accounts Payable	<input type="text"/>
Net Assets	<input type="text"/>
<b>Total Liab's &amp; Net Assets</b>	<hr/> <hr/>

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements - Answers

**INCOME STATEMENT**

	<b>For the 12 Months Ending <u>12/31/2005</u></b>
Revenue	\$ 800,000
Operating Expenses	\$ 770,000
Depreciation expense	\$ 20,000
Total expenses	<u>\$ 790,000</u>
Net Income	<u><u>\$ 10,000</u></u>

**BALANCE SHEET (Beginning)**

	<b>As of <u>12/31/2004</u></b>
Cash	\$ 50,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 100,000
Total Assets	<u>\$ 400,000</u>
Accounts Payable	\$ 100,000
Net Assets	\$ 300,000
Total Liab's & Net Assets	<u><u>\$ 400,000</u></u>

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements - Answers

**Scenario I:**

**No change in receivables or payables. No purchases or sales of fixed assets.**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

---

Net Income	\$	10,000
Depreciation expense	\$	20,000
Change in Receivables	\$	-
Change in Payables	\$	-
Purchase of Fixed Assets	\$	-
Net Cash Flow	\$	30,000

What's my cash flow? \$ 30,000

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements - Answers

**Scenario II:**

**Receivables down by \$50,000. No other changes.**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

---

Net Income		\$	10,000
Depreciation expense		\$	20,000
Change in Receivables		\$	50,000
Change in Payables		\$	-
Purchase of Fixed Assets		\$	-
Net Cash Flow		\$	80,000

What's my cash flow? \$ 80,000



**WHAT'S MY CASH FLOW?****Cash Flow Statements - Answers****Scenario III:**

**Receivables up by \$45,000. No other changes.**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

Net Income	\$ 10,000
Depreciation expense	\$ 20,000
Change in Receivables	\$ (45,000)
Change in Payables	\$ -
Purchase of Fixed Assets	\$ -
<b>Net Cash Flow</b>	<b>\$ (15,000)</b>

What's my cash flow? **\$ (15,000)**

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements - Answers

**Scenario IV:**

**Payables up \$25,000. No other changes.**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

---

Net Income		\$	10,000
Depreciation expense		\$	20,000
Change in Receivables		\$	-
Change in Payables		\$	25,000
Purchase of Fixed Assets		\$	-
Net Cash Flow		\$	55,000

What's my cash flow? **\$ 55,000**

**WHAT'S MY CASH FLOW?**

## Cash Flow Statements - Answers

**Scenario V:**

**Payables down \$35,000. No other changes.**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

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Net Income	\$	10,000
Depreciation expense	\$	20,000
Change in Receivables	\$	-
Change in Payables	\$	(35,000)
Purchase of Fixed Assets	\$	-
 Net Cash Flow	 \$	 (5,000)

What's my cash flow? **\$ (5,000)**

**WHAT'S MY CASH FLOW?****Cash Flow Statements - Answers****Scenario VI:**

**Purchase fixed assets for \$10,000**

**CASH FLOW STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

Net Income	\$ 10,000
Depreciation expense	\$ 20,000
Change in Receivables	\$ -
Change in Payables	\$ -
Purchase of Fixed Assets	\$ (10,000)
Net Cash Flow	<u>\$ 20,000</u>

What's my cash flow? **\$ 20,000**

**Case Study: WHAT'S MY CASH FLOW?**

## Balance Sheet - Answers

**INCOME STATEMENT**

**For the 12  
Months Ending  
12/31/2005**

---

Revenue	\$ 800,000
Operating Expenses	\$ 770,000
Depreciation expense	\$ 20,000
Total expenses	<u>\$ 790,000</u>
Net Income	<u><u>\$ 10,000</u></u>

**BALANCE SHEET (Beginning)**

**As of  
12/31/2004**

---

Cash	\$ 50,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 100,000
Total Assets	<u>\$ 400,000</u>
Accounts Payable	\$ 100,000
Net Assets	\$ 300,000
Total Liab's & Net Assets	<u><u>\$ 400,000</u></u>

**Case Study: WHAT'S MY CASH FLOW?**

## Balance Sheet - Answers

**Scenario I:**

**No change in receivables or payables. No purchases or sales of fixed assets.**

<b><u>BALANCE SHEET (Ending)</u></b>	
As of	
<b>12/31/2005</b>	
Cash	\$ 80,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 80,000
Total Assets	\$ 410,000
Accounts Payable	\$ 100,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 410,000

**Case Study: WHAT'S MY CASH FLOW?**

## Balance Sheet - Answers

**Scenario II:**

**Receivables down by \$50,000. No other changes.**

**BALANCE SHEET (Ending)**

	As of 12/31/2005
Cash	\$ 130,000
Grants Receivable	\$ 200,000
Fixed Assets- net	\$ 80,000
Total Assets	\$ 410,000
Accounts Payable	\$ 100,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 410,000

**Case Study: WHAT'S MY CASH FLOW?**

## Balance Sheet - Answers

**Scenario III:**

**Receivables up by \$45,000. No other changes.**

**BALANCE SHEET (Ending)**

	As of 12/31/2005
Cash	\$ 35,000
Grants Receivable	\$ 295,000
Fixed Assets- net	\$ 80,000
Total Assets	\$ 410,000
Accounts Payable	\$ 100,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 410,000



**Case Study: WHAT'S MY CASH FLOW?**

Balance Sheet - Answers

**Scenario IV:****Payables up \$25,000. No other changes.****BALANCE SHEET (Ending)**

	As of 12/31/2005
Cash	\$ 105,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 80,000
Total Assets	\$ 435,000
Accounts Payable	\$ 125,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 435,000

**Case Study: WHAT'S MY CASH FLOW?**

Balance Sheet - Answers

**Scenario V:****Payables down \$35,000. No other changes.****BALANCE SHEET (Ending)**

	As of 12/31/2005
Cash	\$ 45,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 80,000
Total Assets	\$ 375,000
Accounts Payable	\$ 65,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 375,000

**Case Study: WHAT'S MY CASH FLOW?**

## Balance Sheet - Answers

**Scenario VI:**

**Purchase fixed assets for \$10,000**

**BALANCE SHEET (Ending)**

	As of 12/31/2005
Cash	\$ 70,000
Grants Receivable	\$ 250,000
Fixed Assets- net	\$ 90,000
Total Assets	\$ 410,000
Accounts Payable	\$ 100,000
Net Assets	\$ 310,000
Total Liab's & Net Assets	\$ 410,000