



Module III. Business

Entrepreneurial
Finance

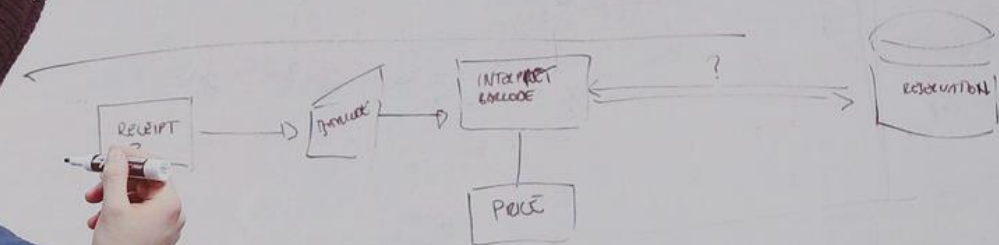
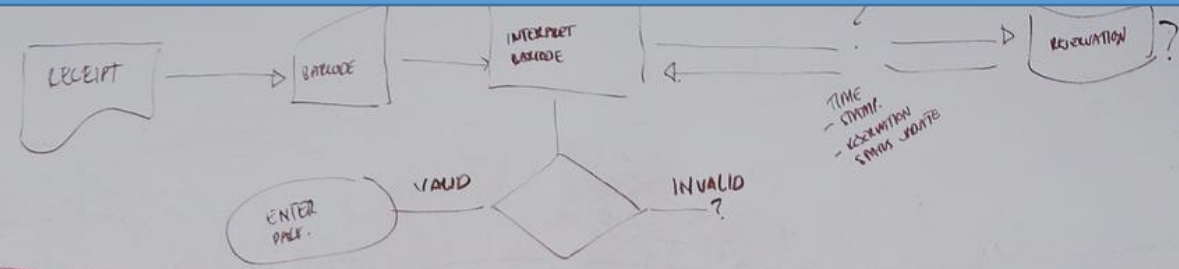
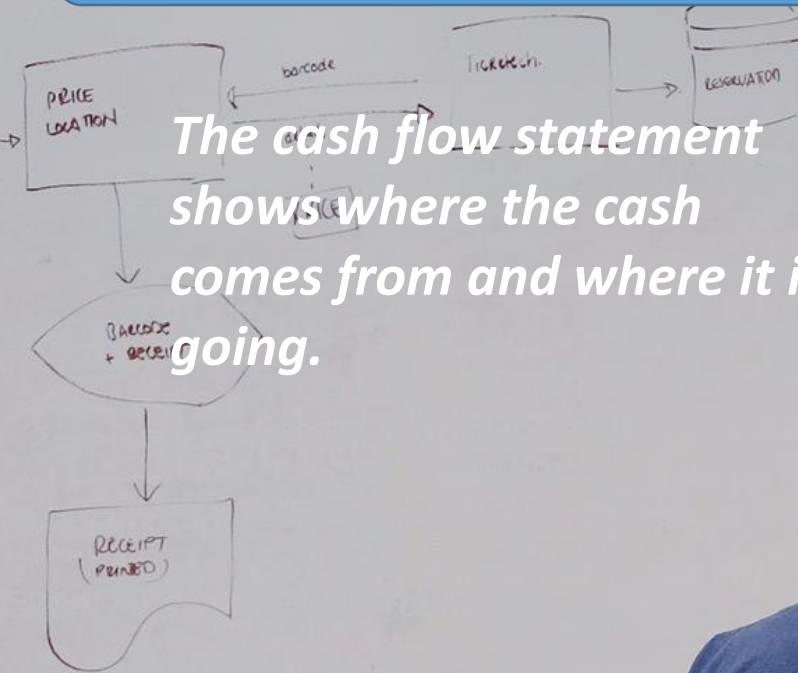
Topic 5. Statement of Cash Flow

Lesson 1. Cash flow statement



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The cash flow statement shows where the cash comes from and where it is going.



This financial report is an important addition to your income statement and balance sheet.



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Once the topic is completed and approved, learners will be able to...



Discover the purpose and appearance of the Cash Flow Statement.



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*In this lesson, we
will learn..*

✓ What the main segments of cash flow are??



Cash flow statement

- Cash flows from operating activities
- Cash flows from investing activities
- Cash flows from financing activities



Cash flows from operating activities

- Revenues from sales of goods and services
- Income tax payments
- Payment of rent
- Salary payments and employee salaries
- Payments to suppliers of goods
- Services used in production etc.



Cash flows from investing activities



- Purchase or sale of assets,
- Loans that are given to suppliers
- Loans that are received from customers,
- Any payments related to a merger or acquisition etc



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Cash flows from financing activities

- Dividend payments
- Debt principal repayments
- Share repurchase payments etc.



Conclusions

By knowing and understanding cash flow, you can look far beyond business profits and losses. And to make a much bigger profit, you can create an idea of the steps to take. If you apply this advice today, you are already one step closer to your entrepreneurial success.



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