

The Computer Warehouse
Statement of Cash Flows Worksheet
For the Year Ended December 31, 2002

Instruction: Using the adjustments from pages A79 and A82 complete this Cash Flows Worksheet.

	Account Balance 12/31/2001		Transaction Analysis		Account Balance 12/31/2002
			Debit	Credit	
Debits					
Cash	41,000	(O)	5,000		46,000
Accounts Receivable	90,000			(A) 30,000	60,000
Inventories	40,000	(B)	30,000		70,000
Prepaid Expenses	15,000			(D) 5,000	10,000
Investments	70,000	(I)	70,000	(H) 80,000	60,000
Plant Assets	<u>280,000</u>	(K)	50,000	(J) 90,000	<u>240,000</u>
Total Debits	<u>536,000</u>				<u>486,000</u>
Credits					
Accumulated Depreciation	70,000	(J)	30,000	(F) 20,000	60,000
Accounts Payable	60,000	(C)	20,000		40,000
Accrued Liabilities	12,000	(E)	2,000		10,000
Income Taxes Payable	4,000			(G) 2,000	6,000
Bonds Payable	130,000	(L)	50,000		80,000
Common Stock	100,000				100,000
Preferred Stock	100,000			(M) 20,000	120,000
Paid in Capital in Excess	14,000			(M) 1,000	15,000
Retained Earnings	<u>46,000</u>	(N)	<u>46,000</u>	(P) <u>55,000</u>	<u>55,000</u>
Total Credits	<u>536,000</u>		303,000	303,000	<u>486,000</u>
Cash Flows from Operating Activities					
Income		(P)	55,000		
Accounts Receivable	<u>Decreased</u>	(A)	30,000		
Inventory	<u>Increased</u>			(B) 30,000	
Accounts Payable	<u>Decreased</u>			(C) 20,000	
Prepaid Expenses	<u>Decreased</u>	(D)	5,000		
Accrued Liabilities	<u>Decreased</u>			(E) 2,000	
Depreciation, a Non-Cash Expense		(F)	20,000		
Income Taxes Payable	<u>Increased</u>	(G)	2,000		
Loss on Sale of Investment		(H)	75,000		
Gain on Sale of Plant Assets				(J) 1,000	
Cash Flow from Investments					
Sale of Investments		(H)	5,000		
Purchase of Investment				(I) 70,000	
Sale of Plant Assets		(J)	61,000		
Purchase of Plant Assets				(K) 50,000	
Cash Flow from Financial Activities					
Redemption of Bonds				(L) 50,000	
Issued Preferred Stock		(M)	21,000		
Paid Dividends				(N) 46,000	
Increase in Cash			<u>577,000</u>	(O) <u>5,000</u>	
			<u>577,000</u>	<u>577,000</u>	