

XYZ Contracting Corporation

Statement of Cash Flows

For the Years Ended December 31, 20XX and 200X

| | <u>20XX</u> | <u>200X</u> |
|--|---------------------|---------------------|
| Cash flows from operating activities: | | |
| Net income (loss) | \$ 663,752 | \$ 386,726 |
| Adjustments to reconcile net income (loss to net cash provided (used) by operating activities: | | |
| Depreciation | 52,380 | 42,317 |
| Deferred taxes | (27,920) | --- |
| Bad debt | -- | 5,050 |
| (Increase) decrease in assets: | | |
| Accounts Receivable | 722,729 | (514,312) |
| Inventory | (68,308) | (3,374) |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 297,237 | (236,666) |
| Prepaid expenses | (18,288) | 34,786 |
| Deposits | (100) | 3,020 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | (32,846) | 350,268 |
| Accrued expenses | (75,735) | (16,879) |
| Billings in excess of costs and estimated earnings on uncompleted contracts | (139,377) | (304,739) |
| Payroll taxes withheld and accrued | (20,325) | 15,341 |
| Deferred revenue | (15,840) | 15,840 |
| Accrued taxes | <u>(21,002)</u> | <u>21,002</u> |
| Net cash provided (used) by operating activities | <u>1,316,357</u> | <u>(201,620)</u> |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | <u>(88,482)</u> | <u>(122,990)</u> |
| Net cash provided (used) by investing activities | <u>(88,482)</u> | <u>(122,990)</u> |
| Cash flows from financing activities: | | |
| Proceeds from notes payable | \$7,186,109 | \$6,825,590 |
| Payments on notes payable | (8,380,334) | (6,188,147) |
| Distribution to stockholders | ----- | <u>(257,000)</u> |
| Net cash provided (used) by financing activities | <u>(1,194,225)</u> | 380,443 |
| Net increase in cash and cash equivalents | 33,650 | 55,833 |
| Cash and cash equivalents, January 1 | 1,158,079 | 1,102,246 |
| Cash and cash equivalents, December 31 | <u>\$ 1,191,729</u> | <u>\$ 1,158,079</u> |