

1	Net Sales into Cash Collectin from Customer:										
	Case no 1:					Case no 2:					
	Accounts Receivable-Beg		200,000			Accounts Receivable-Beg		200,000			
	Net Sales		700,000			Net Sales		700,000			
	Accounts Receivable-End		50,000			Accounts Receivable-End		250,000			
	Cash Collection from Customer = Net Sales + [+Decrease in Accounts Receivable /-Increase in Accounts Receivable]										
	Solution:										
	Case no 1:	Cash Collection from Customer = 700,000 + 150,000=850,000									
	Case no 2:	Cash Collection from Customer = 700,000 - 50,000 = 650,000									
2	Commission Income into Commission Collection										
	Case no 1:					Case no 2:					
	Commission Receivable-beg		50,000			Commission Receivable-beg		15,000			
	Commission Income		230,000			Commission Income		45,000			
	Commission Receivable-End		10,000			Commission Receivable-End		20,000			
	Commission Collection = Commission Income+ [+Decrease in Commission Receivable /-Increase in Commission Receivable]										
	Solution:										
	Case no 1:	Commission Collection = 230,000 +40,000 = 270,000									
	Case no 2:	Commission Collection = 45,000 - 5,000= 40,000									

3	Cost of Goods Sold into Net Purchases:									
	Case no 1:					Case no 2:				
	Cost of Goods Sold			700,000		Cost of Goods Sold			800,000	
	Inventory-Beg			100,000		Inventory-Beg			100,000	
	Inventory-End			30,000		Inventory-End			150,000	
	Net Purchases = Cost of Goods Sold + [+Increase in Inventory / -Decrease in Inventory]									
	Case no1: Net Purchases = 700,000 - 70,000 = 630,000									
	Case no 2: Net Purchases = 800,000 + 50,000 = 850,000									
	Net Purchases into Cash Paid to Supplier:									
	Case no 1:					Case no 2:				
	Net Purchases		630,000			Net Purchases			850,000	
	Accounts Payable-Beg		100,000			Accounts Payable-Beg			50,000	
	Accounts Payable-End		40,000			Accounts Payable-End			70,000	
	Cash Paid to Supplier = Net Purchases + [+Decrease in Accounts Payable / - Increase in Accounts Payable]									
	Case no 1: Cash Paid to Supplier = 630,000 + 60,000 = 690,000									
	Case no 2: Cash Paid to Supplier = 850,000 - 20,000 = 830,000									
	Cash Paid to Supplier = Cost of Goods Sold +[+Increase in inventory/-Decrease in Inventory]+[+Decrease in Accounts Payable / -Increase in Accounts Payable]									

Operating Expenses into Cash Paid for Expenses:											
Cash Paid for Expenses = Operating Expenses - Non-Cash Expense(Bad Debts/Depreciation/Amortization) + [+Increase in Prepaid Expense/-Decrease in Prepaid Expenses] +[+Decrease in Accrued Expenses/-Increase in Accrued Expenses]											
Example:											
Operating Expenses				800,000							
Prepaid Expense-Beg				10,000							
Prepaid Expense-End				15,000							
Accrued Expense-Beg				20,000							
Accrued Expense-End				22,000							
Depreciation				10,000							
Amortization				20,000							
Cash Paid for Expenses = 800,000 - 10,000 - 20,000 +5,000 - 2,000 = 773,000											