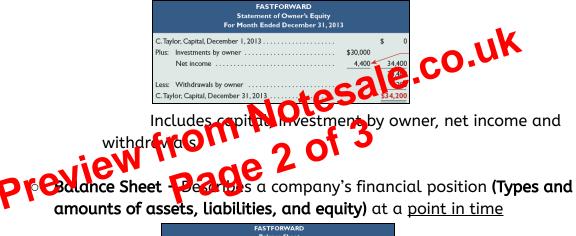
- Financial Statements
 - Income Statement Describes a company's revenues and expenses along with the resulting net income or loss over a period of time due to earnings activities



 Statement of Owner's Equity - Explains changes in equity from net income/loss and from any owner investments and withdrawals over a period of time





Assets must equal liabilities +owners equity

• **Statement of Cash Flows -** Identifies cash inflows and cash outflows over a period of time

FASTFORWARD Statement of Cash Flows For Month Ended December 31, 2013		
Cash flows from operating activities		
Cash received from clients (\$4,200 + \$1,900)	\$ 6,100	
Cash paid for supplies (\$2,500 + \$900)	(3,400)	
Cash paid for rent	(1,000)	
Cash paid to employee	(700)	
Net cash provided by operating activities		\$ 1,000
Cash flows from investing activities		
Purchase of equipment	(26,000)	
Net cash used by investing activities		(26,000)
Cash flows from financing activities		
Investments by owner	30,000	
Withdrawals by owner	(200)	
Net cash provided by financing activities		29,800
Net increase in cash		\$ 4,800
Cash balance, December 1, 2013		0
Cash balance, December 31, 2013		\$ 4,800