

Study & Master

Support Pack | Grade 12

CAPS

Accounting

Cash Flow Statements

This revision pack for **Accounting Grade 12** provides support for learners revising the most important concepts and principles covered in the CAPS curriculum. These include concepts relating to companies, the acquisition of Fixed assets, inventories, VAT, Manufacturing and cost accounts, and budgeting. Summaries of the GAAP principles, theory of Accounting, and the format of Debtors and Creditors control accounts are provided. Furthermore, a detailed table to summarise the interpretation of Financial Statements is provided.

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Revision 3

Companies: Cash Flow Statements

Format of the Cash Flow Statement

(Name of business)

CASH FLOW STATEMENT FOR THE YEAR ENDED (date)

	Note	R
CASH EFFECTS OF OPERATING ACTIVITIES		XXX
Cash generated (utilised) from operations	1	XXX
Interest paid		(XX)
Dividends paid	3	(XX)
Income tax paid	4	(XX)
CASH EFFECTS OF INVESTING ACTIVITIES		(XXX)
Purchases of non-current /fixed assets	5	(XXX)
Proceeds from sale of non-current/fixed assets		XXX
Investment matured		XXX
Investment placed/increased		(XXX)
CASH EFFECTS OF FINANCING ACTIVITIES		XXX
Proceeds from shares issued		XXX
Buying back shares		(XXX)
Proceeds from long-term loans		XXX
Payment of long-term loans		(XX)
NET CHANGE IN CASH AND CASH EQUIVALENTS	2	XXX
Cash and cash equivalents – beginning of year	2	XXX
Cash and cash equivalents – end of year	2	XXX

(Name of business)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED (date)

1. RECONCILIATION BETWEEN NET PROFIT BEFORE TAX AND CASH GENERATED FROM OPERATIONS

Net profit before taxation	
Adjustments in respect of:	
Depreciation	
Interest expense	
Operating profit before changes in working capital	
Cash effects of changes in working capital	
Change in inventory	
Change in receivables	
Change in payables	
Cash generated from operations	

2. CASH AND CASH EQUIVALENTS

	Net change	Year 2	Year 1
Bank			
Cash float			
Petty cash			

3. DIVIDENDS PAID

Dividends for year as reflected in financial statements	
Balance at the beginning of the year	
Balance at the end of the year	
Dividends paid	

4. INCOME TAX PAID

Income tax for year as reflected in financial statements	
Balance at the beginning of the year	
Balance at the end of the year	
Income tax paid	

5. FIXED ASSETS PURCHASED

Land and buildings	
Vehicles	
Equipment	

WORKINGS

FA at net book value

Start	
Add: Buy	
Less: Sell	
Less: Depreciation	
= End	