CASH FLOW STATEMENT SECTION:

The following information relates to City Hawkers CC:

Balances at:

	28 Feb 2010	28 Feb 2009
Members' contributions	154 000	132 000
Accumulated profits/Retained Earnings	5 800	5 800
Long-term loan (Cr)	33 600	80 000
Trade Payables	3 000	2 300
Bank	500 (Cr)	1 500 (Dr)
Land and buildings at cost	150 000	150 000
Machinery at cost	60 000	60 000
Equipment at cost	5 000	4 000
Listed investments at cost	28 700	27 200
Trade Receivables	3 340	3 300
Inventory – merchandise	8 000	8 000
Profit distribution payable	-	3 000
Income tax payable	-	13 000
Allowance for Credit losses	234	-
Accumulated depreciation:		
Machinery	12 000	6 000
Equipment	800	400
Accrued Interest	1 000	500

Income Statement balances (before adjustments) for the year ended 28 February 2010:

Sales	142 000
Purchases	82 500
Salaries	16 400
Dividends earned on investments	2 500
Interest expense iro long-term loan	12 000
Credit losses	494

Additional Information:

- Depreciation on machinery (R6 000), and on Equipment (R400) were mistakenly debited to Salaries.
- On 28 February2010 a profit distribution of R6 000 must still be provided by City Hawkers CC and it was calculated that the income tax expense for the year would be R16 000. Not yet paid.
- On 28 February 2010 the inventory of merchandise amounted to R9 000.
- No Property, Plant & Equipment were sold or scrapped during the year. All additions were paid in cash.
- All purchases and sales were on credit.

Required:

1. Prepare the Cash Flow Statement for the year ended 28 February 2010.
   (Show Calculations either in answer or separate). (20)

[Mark Allocation: 20]