Net Cash Flow from Operating Activities

Net income $9,000

Adjustments for differences between income flows and cash flows from operating activities:

Add: Depreciation expense $4,000
Decrease in inventory $3,000
Increase in unearned rent $1,000

Less: Increase in accounts receivable $(6,000)
Increase in supplies $(2,000)
Decrease in accounts payable $(7,000) $(7,000)

Net cash provided by operating activities $2,000

Cash Flows from Investing Activities

Payment for purchase of equipment $(6,000)

Net cash used for investing activities $(6,000)

Cash Flows from Financing Activities

Issuance of common stock $12,000
Payment of dividends $(1,000)

Net cash provided by financing activities $11,000

Net increase in cash $7,000
Cash at beginning of year $8,000
Cash at end of year $15,000