

Solution 1.24

Bucknell, Inc. uses the calendar year as its fiscal year. Determine the total net cash flow recorded at the end of the fiscal year.

Month	Receipts, \$1000	Disbursements, \$1000
Jan	300	500
Feb	950	500
Mar	200	400
Apr	120	400
May	600	500
June	900	600
July	800	300
Aug	900	300
Sept	900	200
Oct	500	400
Nov	400	400
Dec	1800	700

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Solution:

<u>Month</u>	<u>Receipts, \$1000</u>	<u>Disbursements, \$1000</u>	<u>NCF, \$1000</u>
Jan	300	500	-200
Feb	950	500	+450
Mar	200	400	-200
Apr	120	400	-280
May	600	500	+100
June	900	600	+300
July	800	300	+500
Aug	900	300	+600
Sept	900	200	+700
Oct	500	400	+100
Nov	400	400	0
Dec	1800	700	<u>+1100</u>
			+3,170

Net cash flow = \$3,170 (\$3,170,000)