

3.7 Cash flow

Checklist

What you should know

By the end of this subtopic, you should be able to:

- define the following terms: (AO1)
 - cash flow
 - net cash flow
 - cash inflow
 - cash outflow
- distinguish between profit and cash flow (AO2)
- analyse and prepare cash flow forecasts (AO2, AO4)
- explain the relationship between investment, profit and cash flow (AO2)
- recommend strategies for dealing with cash flow problems (AO3)