

THE STATEMENT OF CASH FLOWS

*Associate Professor PhD Cernusca Lucian University „Aurel Vlaicu” of Arad,
luciancernusca_ro@yahoo.com
Professor PhD Mates Dorel, West University of Timisoara*

***Abstract:** In today's business environment, it is not enough simply to monitor earnings and earning per share measurements. An entity's financial position and especially its inflows and outflows of cash are also critical to its financial success. The statement of cash flows alerts financial statement readers to increases and decreases in cash as well as to the reasons and trends for the changes. This brief article is going to present a historical perspective on this financial statement, the statement of cash flows' purpose and, finally, the way of systematizing and reporting the financial information on it.*

Key words: cash flows, financial statement.

Jel codes: F39, M41.