

Lake View Developments, Inc.

STATEMENTS OF CASH FLOWS

Years ended September 30,

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Net earnings	\$ 9,987	\$ 22,807
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	9,827	6,210
Change in assets and liabilities:		
Decrease in interest receivable	6,851	19,470
Decrease in prepaid income taxes	682	9,603
Decrease in accounts payable	( 1 )	( 4,118 )
Increase in real estate tax escrow	<u>5,064</u>	<u>-</u>
Net cash provided by operating activities	32,410	53,972
Cash flows from investing activities:		
Cash paid for additions to fixtures	-	( 841 )
Sale(Purchase) of certificates of deposit	475,000	( 274,993 )
Sale of U.S. Treasury Securities	-	1,325,560
Issuance of mortgage note receivable	( 1,400,000 )	-
Purchase treasury stock	( <u>13,500</u> )	( <u>20,600</u> )
Net cash (used in)provided by investing activities	( 938,500 )	1,029,126
Cash flows from financing activities:	<u>-</u>	<u>-</u>
Net cash used in financing activities	<u>-</u>	<u>-</u>
Net (decrease) increase in cash	( 906,090 )	1,083,098
Cash at beginning of year	<u>1,168,176</u>	<u>85,078</u>
Cash at end of year	<u>\$ 262,086</u>	<u>\$1,168,176</u>
<u>Cash paid during the year for:</u>		
Interest	\$ -	\$ -
Income taxes	\$ 4,407	\$ -

The accompanying notes are an integral part of these statements.