Decision making using financial accounting

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Lecture - 23
Cash Flow Statements – 4

Now, what do we do in that such a case, I just track where all the money went out and where all the money came in between 1st and 16th of February that is all what we do especially when we talk about a cash flow statement out there. There are two methods of doing it.

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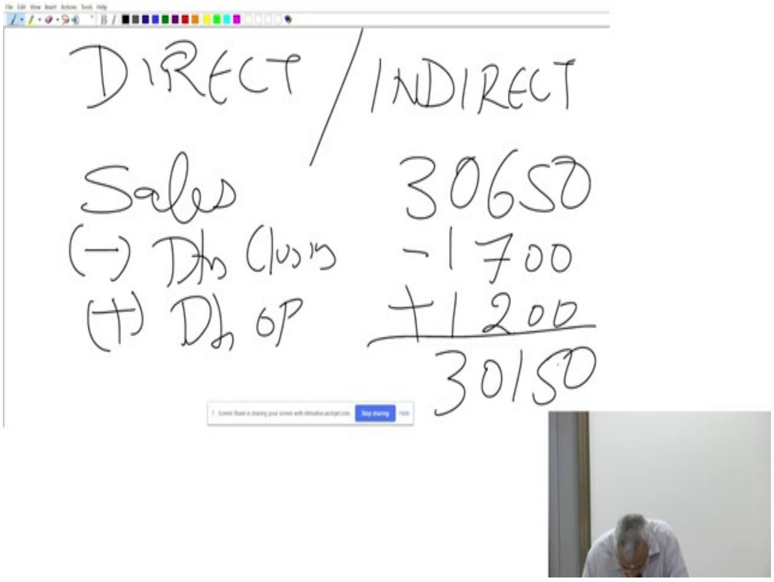

Normally, we will they will say there is what is called as they will normally write what is called as a direct method, and there is an indirect method. Let us not worry about this try to understand what is this direct method, what is this indirect method etcetera. Because if we spend time then we are again losing (Refer Time: 00:51).

So, simple thing let us start with the first basic assumption that let us look at, for example, if it is supposing I say that you are doing your business only on cash basis, then the amount of profit what you have should ideally be equal to the cash what you should ideally, the ideally, ideally situation out there, that is assuming that you are not bought any new asset and etcetera, etcetera, etcetera out there. So, let us start with that kind of an assumption. But in that case, when we look at the profit out there, there are some noncash items out there like your depreciation for example. So, even if you have done the business completely on cash basis, there is one monkey sitting there that is called as depreciation which is not a cash basis which is basically you are carrying it that is whatever asset you bought earlier.

Now, in order to know what is the cash I have what should I do, the depreciation amount what I have reduced basically what I do is I just add that depreciation back to the profit, then I will know exactly what is the cash I have. Am I with you or not, any doubts at this stage sir? Sure. So, these are the simple minor adjustments we do. Now, supposing I say that another example of that depreciation is one aspect. My entire payments is on cash, whereas my sales is not purely on cash, my sales is partly on credit, partly on cash, that means what is the cash you should have. Whatever is the profit plus minus that receivables still that is there is the cash that ideally you are going to have. Am I with you on this, any questions coming up? No, far, ok, so far no, good.

So, that is basically what, so whatever are we doing. Now, I take the third situation. Now, what we can do we took that the first situation depreciation; we looked at the second situation that is what we call it as credit sales. Now, I look at the third situation. Supposing, I also make partly cash purchases partly, what is called as credit purchases imagine, there is no opening and closing stock. Let us imagine there is no opening and closing stock. Then what do I have to do, I have to take the profit and back the depreciation first, then reduce the credit sales part of it, then I am back what is that credit purchases for debit because payment has still not gone, so that is the cash what I will have. Am I with you on this?

One more googly out here. Supposing I make payment of wages to my staff and employees, and I am making the payment only on the seventh of a particular month because as for industry like (Refer Time: 03:44) per visible imagine it is a manufacturing age old manufacturing company, and I am preparing this cash flow statement on the first of a particular month.

Now, what happens, wages has an expenditure, I would recorded in the P & L, but payment is not made. So, what we are do, the profit plus depreciation minus the credit sales plus the credit purchases plus the wages which is yet to be paid out there. Am I with you on this? Now that is all what is cash flow statement, some idea about it. Made it as simple as possible that is all. So, what are we trying to do? We are trying to trace the cash, we are trying to know what is the cash that you have that is all.

Let me sort of look at relook at this particular exercise what we did. If we look at this, we started off with something called as sales which was about what is called as that is in this particular exercise out there, you had sales which was something like you know 30650. I am revisiting this; I am revisiting this. Please understand if you are understood in the last class 15 minutes, you go to sort of 10 minutes or 15 minutes, you go to sort of relax and enjoy that is all. Otherwise you will not understood, you can try and understand now.

Now, what do we see in this? Now, actually have you received all this money that is basically written as sales out there, but partly credit sales is there that all we all know. So, what is the amount of credit sales that is there, you just have a look at what is called as a balance sheet in this particular aspect. Well look at the balance sheet, balance sheet will show what is the credit sales because that is the money that I am yet to receive on the sale that will show as what, the terms of creditors.

Student: Creditors.

Now, when I make what is called as a purchase out there, then what happens I am to pay, I have to pay that becomes what is called as a creditor, that becomes what is called as a liability. Well, I have to receive that is basically an asset that is what we call it as debtors out there. With you on this?

Now, move ahead, we will let us move ahead on this further on this. Now, in this particular case, 30650 was basically the sales what we have. Now if you look at the balance sheet, the balance sheet says the reason debtors that is as of this particular year, if you look at sundry debtors as on this particularly year is 1700, am I with you, that means, going by the principle what I just said that 1700 rupees you have not received.

So, what do I do, I reduce that 1700, am I with you or not? So, what I do that is minus or a negative part of it or what we call it as end of the year receivable are debtors closing that is basically what we call it as 1700, negative, I have just put, I will put an minus sign right here also for clarity. But at the beginning of the year you have 1200 out there of receivables which you was due for last year, let it pertain to last year, but when are you receiving the cash, this year.

Student: This year.

So, I might not have received the cash somebody might argue that what was due last year he is still continued to be due last year, he is still continue to be due this year also, perfectly fine. You would still continue to be due this year, it would be part of that 1700 which is already noted out there. So, what I do, so that what is called as what we call we will say what is called as debtors opening, and that is I would have ideally received; or if it is not received it is part of this 1700, then that will become what is called as 1200 out there, then your total what do you call it as your cash inflow from what is called as your operating activity. We said three activities right, I think spent some time on that there is three activities. What are those? Operating.

Student: (Refer Time: 07:53), financial investment.

Financial investments beautiful at least that is right. So, there is some value addition that I am very happy that having coming here fine. Now, there is this is part of the operating activity. Because of an operating activity, there is cash coming into your business out there, with you on this. Now, similarly there are other aspects which we need to look at. The other aspects which we need to look at is, one aspect what we look there is a inflow of operation. Let us look at the outflows because of operation. If I have to look at the out flows because of operation out there what are the first and for possible we will see in this particular aspect out here, we see that there is what is called as cost of sale of 26000. Let me just move this.

Student: We can see.

You can consider you are supposing I know that that 1200 is that 1700 due at the end of this year, that 1200 which was due at the beginning of there is continuing, that which out of the sales of 30650 this year what is not received still only 500 is not received. So, what do I do? 30650 minus 500 plus the 1200, either way, it is going to be there.

Student: (Refer Time: 09:08).

Not addition. See, what is there, status at the end of the year, this might include what this due last year, this might include everything fresh this year, that we are not worried about it. We are worried about what is due, what are due, typically see what are you liable to receive this year, whatever is the sales of this year plus whatever is the due last year, that is the total amount I am eligible to receive. Out of the entire pool how much is still receivable, 1700 is still receivable that is all, let us take it that way.

What is the pool receivable this year? Pool receivable on sales is 30650 plus 1200 which was due last year that is the total amount of cash I am eligible to get out of that what is due 1700 is due. This 1700 for all you know are the 1200 which might be getting forward carrying forward might be a due which is 10 year old also, you and I do not know about it, where we are not worried about it as of now.

Understand sir? Do we move on? Ok. Now we are looking at cost of sale. Cost of sale is what the amount that you are spent on basically getting your goods ready for sale, that means, ideally that is the amount you would have ideally spent in whether it is raw materials, etcetera, etcetera, etcetera out there.

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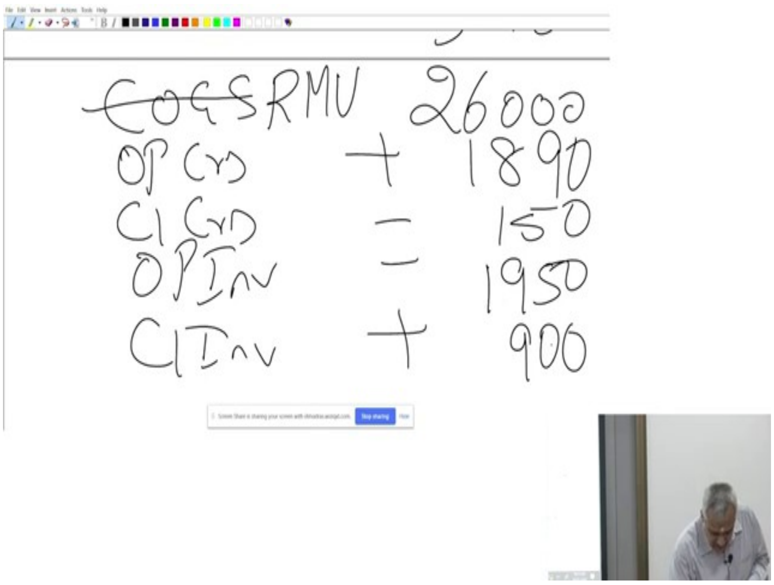

Now, if I look at what is my COGS out here, my COGS in this particular case is basically 26000, I will do one more numeric also 11.4 also we have planned to do right so trying follow this, 7.4 is little more simpler one. Now, first thing that is cash outflow payment, madam we are revisiting the same problem which we did in the last class as I had indicated in the email. Now, that is a cash outflow; now is this entire 26000 which is appearing in the P & L is the money completely gone out, we do not know. So, let us look at what are first aspect out there, I look at corresponding if you have not paid, it should appear as?

Student: (Refer Time: 11:14) credit, credit.

Now, we are confident fine, because it has to be because free with debtors so it has to be only creditors right, so it is the liability. Now, know that it is a liability out there creditors what affect let us look at what was the creditors at the beginning of this particular year, opening creditors. If you look at the opening creditors was about 1890 that means, one why am I putting plus out here that is the total payment that you ought to make that liability for you for your cost of sale. This years is 26000 and last years is 1890, the total payment you have to make is the quantum of this plus this put together. Am I with you on this, so far so clear.

But the ideally how much have you paid, there is still some amount I need to pay that is what is called as closing creditors if I look at the closing creditors is about 150 is I have not paid; whether this 150 is on the 1890 or is it from the current years purchases we do not know, but as of today that is what you have to pay. With you on this so far so good, though the next aspect comes in.

What are the next aspect that comes in, the next aspect that comes in is basically your (Refer Time: 12:46) part of it. Now, this 26000 imagine do not use the word cost of sale just keep it as raw material purchases, creditors also pertain the raw. Raw material utilized what will appear in the P & L, whether it will appear as purchases will appear or utilized will appear?

Student: Utilized, purchased, utilized, utilized.

Why utilized?

Student: The amount of raw materials consumed in that.

Beautiful sir, fantastic fine at least now it is working this a quiz what we have right informal base, no one evaluation for this, do not worry. Now, it is good, because what does appeared in P & L, in P & L what is consumed, what is pertaining to that particular year I have sold 100 units, what is the material that I have consumed for 100 units will only appear in the P & L statement, with you on this sure, ok.

Now, given that out of this what is called as 26000, imagine let us a let me sort of (Refer Time: 13:52) what is out basically strike it out and just say raw materials utilized RMU that is what raw material utilized. I will just take for taken it has raw material utilized; you do not have to do it for easier understanding.

Out of this 26000, raw material utilized I might not have bought everything if I have not bought everything, there is no cash out flow; even if I have bought, you would say there is creditors that we have taken care of it right, you are not a paid, etcetera. You might not have bought you might have utilized everything that is there in the inventory that is already there which you would have bought it last year itself, possible or not yes possible.

So, let us look at what is the opening inventory in this particular case. Out of this 26000, I have not bought goods worth 1950 that is what is called as the opening inventory out there. Look at the asset side, look at asset side out there opening inventory if you look at in 1950. There are two events when I make a purchase what happens, there is a good that is coming in that is one part of it my inventory; the other side of it what is it I have to pay cash goes out at debtor. Two is very two indifferent events.

Student: Inventory is increased.

Inventory is one side inventory is increased, one side liability has increased we looked at that liability part of it, now let us look at the inventory part of it right, there are two parts. Now, when I am looking at what is called as (Refer Time: 15:23) yeah George, yeah question.

Student: Fine sir.

You clarified that is good, fine thank you. Now, what happens in this particular case if you look at out of this 26000 rupees worth of raw material, forget about creditors; creditors is when you make a purchase and a sale, imagine this 26000 worth of goods, I have bought this particular year that is what you imagine first and that is when you took at the creditors opening and the closing creditors what you basically had. Opening creditors what I had in the sense, I might have utilized so much of with raw material; but what is the amount I am liable to pay, I am liable to pay for what I utilized plus what I have to pay last year plus there is one more piece that is what is the stock that is amount that is also left in your inventory, am I with you on this that we will come to that.

But at the same time this 26000 rupees worth of material I have utilized it, but entire thing I might not have bought I better used something which is there from my inventory out there. So, what do I do I am looking at what is called as my opening inventory, negative the amount is about 1950 if I am not wrong. So, far I will explain what happened, I have utilized raw material for 26000, I had to pay last year 1890, this is my total liability that I have to pay, 150 is still due this year, so the total liability of the pay is 26 plus what is due last year minus what is due current year. Now, out of this 26 I have utilized I have not bought the entire thing this year, there is something which is bought last year I have year before whenever.

So, what is liability what I have utilized plus what is due last year minus what is due current year plus minus what is the inventory I have utilized from my in stock out there. Now, again further to that I need to look at my closing inventory. My closing inventory is there, there is a lot of stock lying in my what is called as my godown out here my these particular stock also I would have bought it, but it will not appear in the P & L I have to pay for it.

So, end result four, two different aspects one is we look at the creditors, other is we look at the inventory. This 26000, what is the amount of goods utilized amounts of good utilized is 26000. What is the out of that what is the good you have got, 26 minus 1950 plus 900 is the good that we have actually bought, first get that clear. Now, what is it you have to pay you know what you have bought plus you have to pay for last year's also minus what is the due current year that is all what we are getting out there, am I with you on this.

Student: Yes.

Everybody clear that is great. Now, we move on beyond this I moved to a next page out here in this particular case, now what we have the next aspect out here in this particular case is there is a other expenditure in the P & L statement that is what is called as admin expenditure; Admin and admin and selling expenditures out there. These admin and selling expenditure if you see that there is nothing which is correspondingly if you have not credited, it should appear as a liability; either this year or if you have not paid even last year that should be appear as a liability. Supposing last year, there was a liability of 500, this year liability is 0 that means, what is the cash outflow 910 this year plus the 500 hundred of last year; obviously, there is nothing in this particular case you are paying out there.

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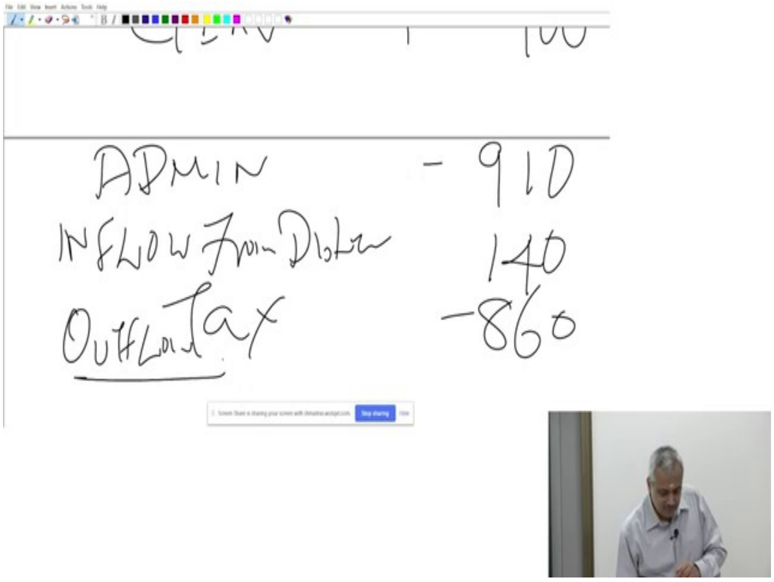

So, admin expenditure your minus your 910 if I am not wrong. In this particular case out there, so far so good. Any questions Prateek?

Student: No sir.

So, far they are all following, check, check put a chart and check if they are. All of you are following, you can if you are following just give a say that you are following that is all, just put a chat that is it. Move beyond this, now if you have moved beyond this, there is what is called as the next aspect pertaining to my operations if I look at in this particular case. Depreciation we are not worried, because we are not looked at we are looking at only what is called as your cash expenditures what we are looking at, this is what we call it as direct method, etcetera. (Refer Time: 20:24).

Student: (Refer Time: 20:25) this.

Yeah, yeah cost of goods also subtracted that this is cash outflow, that is cash inflow; oh God, I did not I not to put it out there, this is all please note.

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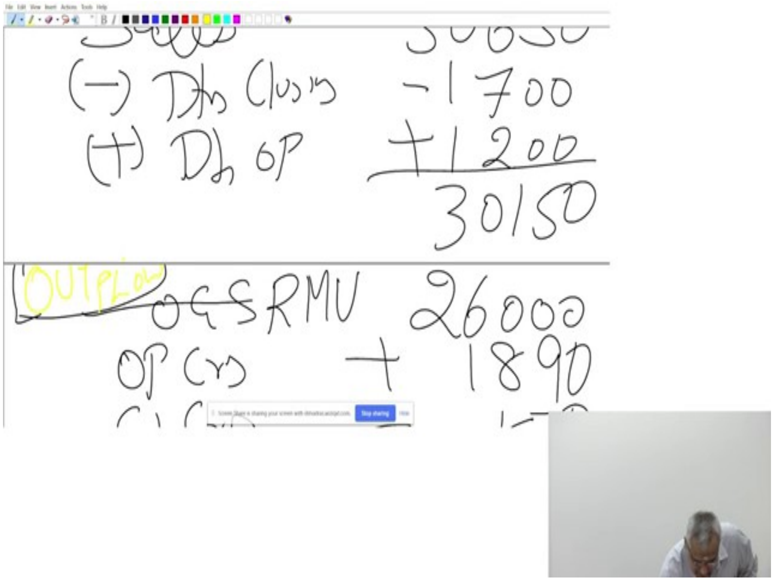

Out flow, I think I can color it if I am ok, I am not sure, I am not getting it.

So, I do not want try all that right, I will just put beautiful I got it, I got it. And then let me just move what is called as this is inflow, yellow it is too light, but it is ok, it is we will can see it no not a problem, right. Now, we are looking at further clear that part of inflow, this part of inflows. Now, interest expenditure as I said its part of financing investment income is part of.

Student: Investing.

Interesting activity. Dividend income.

Student: Investing activity.

Investing activity, let us not worry about it. Extraordinary items insurance proceeds from a disaster management fund out there, insurance proceeds from what is called as a disaster management fund that is you are received that money. There is what is called as a cash inflow that has occurred, that is what is called as inflow from disaster management 140, please understand this is a inflow the rest are outflow; minus and plus you can just take care of it.

The next aspect out here what we look at is what is called as there is something called as taxes on income 300 dollars out there. Taxes on income there is what is called as; what is called as 300 dollars out there. We look at the taxes on income 300 dollars that is the ideal tax which you should have paid, what is it that you are liable to pay; Mallika what is it that you are liable to pay taxes?

Student: (Refer Time: 22:35).

300 is the tax for the year.

Student: 300.

Is the tax for the year, but total liable tax you are liable to pay this year.

Student: (Refer Time: 22:49) 300 (Refer Time: 22:50).

What is that?

Student: 1000 from previous year.

1000.

Student: From previous year.

1000 from previous year, if I look at the tax payable income tax payable, 1000 from previous year. How, what is the cash outflow?

Student: 900 minus 400.

1000 plus 300 minus 400.

Student: 900.

That is the cash outflow, this year is about 900. Now, one second for that how does that 900 hundred if you read one of the statements in the second part of the statements which is in the page two of the case, it says that talk something about tax deducted at source for dividend income or dividend income or some one of the investment income out there. Some 40 dollars worth of tax of those deducted, which of which number point number is it?

Student: 4, 4.

4, point number 4; so that 40 dollars tax is not pertaining to operations, that 40 dollars tax is pertaining to.

Student: Investment.

Investment activity. So, what is the tax of 900 minus that 40, 860 dollars is basically the taxes that is their cash outflow, with you on this so far so good. Now, can you total all this what is the plus minus all the inflows together and all the outflows together, all the inflows together all the outflows together, 1830.

Student: (Refer Time: 24:23).

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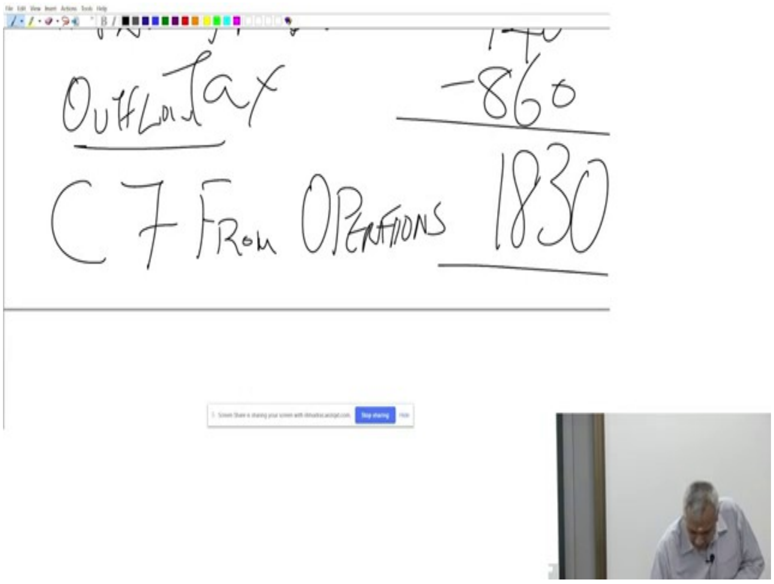

1830 it should be 1830, cash flow from operations positive out there, just do not read and check, it cannot be 10 rupee difference cannot come in right, then we are totaling mistake. If it is one of the figures the difference ideally if you get it, it should be one of the figures what we have entered, because that is what you would have is a plus or a minus you would have done it, so it will double that figure that is the kind of difference. You cannot get a 10 rupee difference anywhere, unless you are doing a totaling mistake.

Now, we move to the next aspect out of it. When we talk about the next aspect out here, we are looking at cash flow from investing activity, cash flow from investing activity, when I am looking at.

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Cash flow from investing activity out here, when I look at cash flow from what is called as one investing activity. Let me sort of look at cash flow from investing now I got it right ok. Cash flow from investing, now let us look at it, let us go back to the same thing out here. If I look at by if I go back to the same thing out here investing activity, what is the investing activity there is an investment income, there is a dividend income over there, these are the two basic aspects that is there out there.

Now, there is what is called as in flow from investing income, then there is what is called as dividend income. If I go to the investing income the ideal investing income what you would have earned is about 300 dollars out there, yes or no. Yes, is that still due if it is still due it should be as they are on the asset side, is there anything due from the last year, current year, anything due from the last year from the current year anything out there.

Student: No.

Nothing, sure about it.

Student: (Refer Time: 27:01).

Yeah last year dividend was dividend investment was 2500 investment, it remains the same that has not changed. So, there is no fresh at all cash outflow, there is a dividend income which you have earned that is investing income that is about 300 dollars which you are basically earned out there, am I going right ok. Now, you have earned about 300 dollars and your dividend income is about 200 is your dividend income out there, 200 is basically dividend income. Then there is a cash outflow in the sense out.

Student: Sir (Refer Time: 27:35).

That is what I am coming to outflow that is because of basically tax on dividend and because of investing.

Student: Purchase of.

Purchase of.

Student: (Refer Time: 27:47).

Sure go ahead, you are right that you are investing perfectly fine ma'am, go ahead ma'am.

Student: (Refer Time: 27:54).

What is purchase of no, one second, one second mam. Mallika what is purchase on machinery?

Student: Asset.

Asset. So, what are you doing?

Student: So.

You are investing in buying an asset. So, you are right. So, do not be scared right that is all. You are investing purchasing on one asset perfectly fine. I started with these two easy one, so that then will move on. If I look at my plant and machinery out here in this particular case, I can fixed asset gross, I am looking at fixed assets gross, I am not looking at fixed asset net out here fixed asset gross are cost was 1910, last year 2180 this particular year. That means, 1910 has increased to 2180, that means, it is increased by 270 dollars totally.

But if I look at 270 dollars is that all what I have purchase, let me read the statement which is there in the second page of this base of the sheet out here. It says that during the period I am talking about point of 1, 2, 3, 4, 5, point number 5 out here, during the period the enterprise acquired property plant and equipment for 350 dollars, cash payment of 350 dollars has made and purchase of the property. With you on this?

So, what happens there is a property purchase 350 dollars out here out flow negative. Yes, George.

Student: There is interest recievable.

Interest.

Student: Receivable.

Then that means, I must have ideally missed it all out, yes.

Student: 100 dollars.

100 interest receivable 100 dollar. That means, what happened investing income.

Student: Reduces.

300. Now, what is it? Receivable is 100, that means, what should this be?

Student: 200.

I made it, thank you, thank you for finding it out. I have missed it. Thank you for finding it. Prateek, you have to be more careful. You have to watch out, what I am doing right, correct, I mean if I am missing out, you have to tell me. Now, I go back to plant and machinery, thanks to all for finding it out.

I go to point number 6, point number 6 have planned at a original cost of 80 dollars and accumulated depreciation of 60 was sold for 20 dollars out there. That means, what was happened, investing activity has yield at you what is called as a cash inflow of how much of about 20 dollars out there. Let me look at what is called as sale of a plant 20 dollars out there plus. I am going to repeat this. What are the difference what you saw out here, the difference in plan I am going to use this part of the board also slightly.

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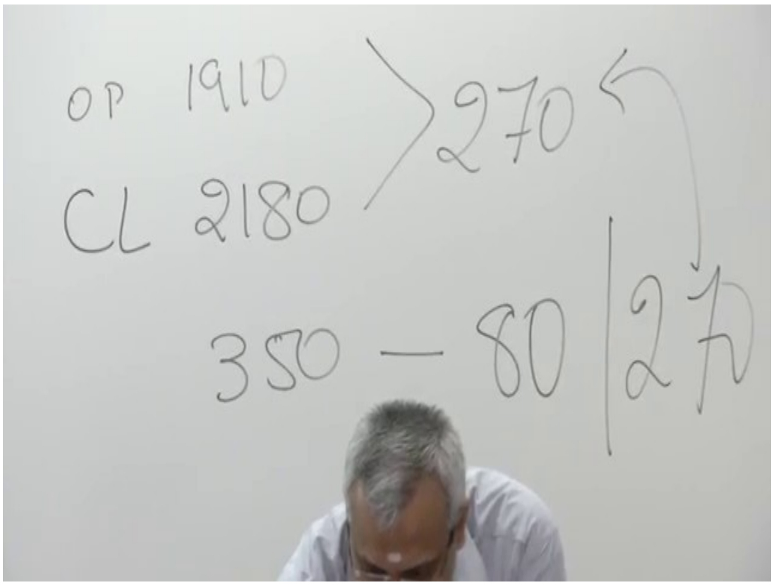

If you look at the plant and machinery out here was opening was1910, opening was 1910. What is closing? Closing if you look at closing of plant and machinery that is at the end of the year balance was 2180. The difference what you see is 270, that means, 270 worth of plant and machinery is what ideally you think you would have bought. But whereas it says 350 dollars what it has bought, and then it has sold something worth about what.

Student: 20.

Worth about what 80, 60 or 20, there are three figures in that statement.

Student: 80.

Sure?

Student: (Refer Time: 31:39).

How many of you say 20? Yes sir, yes George. Why?

Student: (Refer Time: 31:47).

What is this value? This is the gross value of the asset out there. Gross value means the purchase value of the asset out there. Please look at the balance sheet sir. I have not taken the net value. What is this value? This is the gross value purchase value of the asset that is prior to depreciations. Now, what is this purchase value of the asset, now what is the value of the asset you have sold, the value of the asset you have basically sold is only 80 dollars out there that is that gross value. So, the net effect on the gross value in this particular case is 270 and that is what you see there right. So far so clear.

Now, cash flow for investment is 30 dollars is what is the total after all these additions and subtractions is 30 dollars fine, you are right, right. But this goes into what is call to arrive at the 30 unit. This to arrive at the 30 unit this right 30 that that number is right that is all.

Student: I had just mistake (Refer Time: 32:50).

Yeah, that is fine, it is no problem. So, what we have done is basically we have talked about plant and machinery, we have talked about interest, we have talked about this, and this total is basically what we have. Anything else pertaining to investments out there, I do not think anything else is there pertaining into investments out here. So, in the total of all this is basically what we have out here. If you look at this total that I means cash flow from investing. You can total this, this should get about 30 dollars out here. Yeah obviously, if you have planned to original costing originate 80 was sold at 20. You are not assuming a you are not worried whether it is depreciation or loss that is not that is the none of your botheration when you are doing a cash flow statement, that will be a part of worry when you have doing a P & L.

Student: So far I mean cash flow that is additional information.

That is additional information that is just to confuse you. I asked you 3 figures right. So, you have to shall not which is the figure that is all. You do not worry you so some numbers which are irrelevant can be done with or it might you can say that is a additional information that is a beautiful word to way to say that, otherwise I can say it is to confuse you either way.

Now, one of that you have done this let us look at cash flow from financing, any question so far Prateek?

Student: No sir.

No questions, ok. Check if all of them of following once in a while right put a chat message and check it out if all of them are following, if they are not following then we have a problem. Now, I go on to the next aspect that is what we call it as financing activity. When we say financing, what is the first thing, you are looking at which side of the balance sheet, asset side and liability side? Predominantly you will say.

Student: (Refer Time: 34:54), assets side, (Refer Time: 35:00).

Borrowing will come in asset side; borrowing will come in asset side sir, sir we have to go back to class 1 there.

Student: (Refer Time: 35:06).

Simple sir, please understand sources of finance, sources of funds, utilization of fund, investing is utilization, did we ever look at the liability side for investing? We looked at what only, the assets side, because what are we looking at investing. Here what I said sources of finance, please note, sources of fund, utilization of fund. Utilization of fund is your asset, sources of fund is your liability. So, when we are looking at sources of fund out there, so we predominantly start with the liability side.

What are the major sources of fund, two - debt and equity right. Let us get that very clear debt and equity because all other your current liabilities in terms of creditors which is also resources of funds. We have already accounted for it in operations right. For say we have to look at only two aspects. What are the two aspects, debt and equity. Debt means loan, equity means what is your share out there that is all what I am going to look at.

If I go back to my balance sheet out here, it says that long term debts and then on the other side what is called a share capital, these are the two things right debt and equity. Now, if I look at that debt part of it in this particular case, we see that they on the what is called as equity part of it, it says equity share capital which has 1250 last year has become 1500 this year, yes or no? So, can we straight away take it as 250 dollars, increase there is a cash inflow, yes or no. How sure are you that these 250 dollars of share capital increase has not happened because of a bonus issue right. You know bonus I taught you what is bonus issue right, I taught you what is bonus. If it is the bonus, is there a cash inflow, there is no cash inflow. Normally, if I if there is a bonus issue, you are to that extent your results in surplus would also change that to that extent you where do you get your bonus money for bonus from your.

Student: Retained earnings.

Retained earnings. Retained earnings is part of your result and surplus to that extent that would have also change. Of course, one can argue I have to taken out some money from retained earnings, I would have added this year's profit also to the retained earnings. So, all that jugglery, let us not do that jugglery. I have made it a little more simpler out here.

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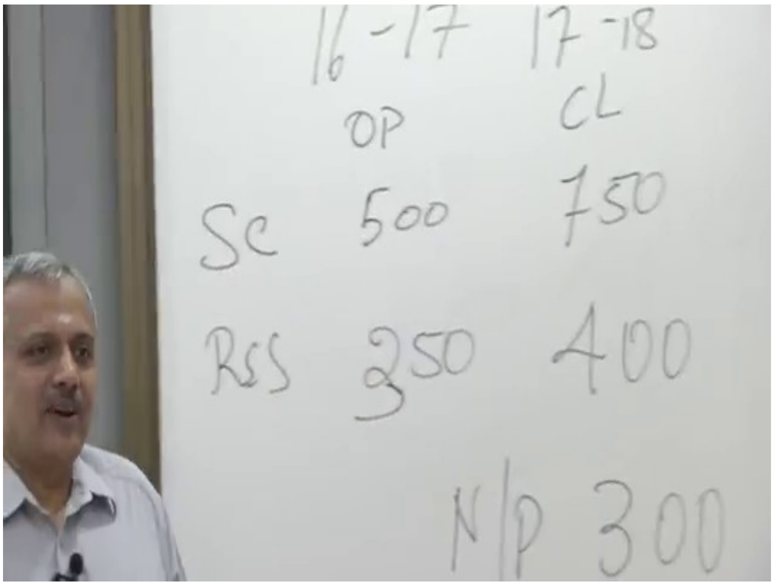

In the sense, if I have to make it a little more simpler just to moving away from it. Imagine share capital last year that is opening was about 500, share capital closing 750. My reserves and surplus last year that is open in reserves and surplus is about 250 or let us say 350. My closing reserves and surplus is about 400. Then what you would say oh it has not decreased it has rather increased, so this should be what is called as fresh.

Student: Fresh.

Issue of shares and you have collected money need not be. Imagine this is what is called as I am doing it for the year 17-18, this is 16-17 that is what a opening is your end of 16-17 or opening of 17-18. Now, during the year 17-18, I might have made a profit of about I might have made a net profit of about 300 dollars. If I have made a net profit of 300 dollars in the year 17-18, what should ideally by my reserves and surplus imagine there is no different, that means, it 350 plus 300, 650 should have been here. But what is here 400 is here and 250 has increased. So, what do you do, if you are not given dividend, you have basically would in to the flowed into the bonus kind of a issue out there. So, let us not do all that jugglery out here.