***Calculation Example: FFCF of Just Group***

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| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| Just Jeans Group | |  | Just Jeans Group | | | |
| Income Statement for | |  | Balance Sheet as at 26 July | | | |
| period ending 26 July 2008 | |  |  | 2008 |  | 2007 |
| Net sales | 822 |  | Current A | 92 |  | 105 |
| COGS | 717 |  | Non-current A | 195 |  | 178 |
| Depreciation | 24 |  | Total A | 287 |  | 259 |
| EBIT | 81 |  |  |  |  |  |
| Interest expense | 11 |  | Current L | 208 |  | 72 |
| Taxable income | 70 |  | Non-current L | 22 |  | 134 |
| Taxes | 21 |  | Owners Equity | 57 |  | 53 |
| Net income | 49 |  | Total L and OE | 287 |  | 259 |
|  |  |  |  |  |  |  |

Note: all figures are given in millions of dollars ($m).

**Question**: Find the FFCF using the income statement and balance sheets

Assume that:

* Non-current assets (NCA) is completely made up of Net Fixed Assets;
* All current liabilities are non-interest bearing;
* Current assets includes no excess cash or marketable securities.

**Answer**:

We need to calculate and from the changes in the balance sheet.

, so net capital expenditure rose over the year.

, so net working capital fell over the year.

***Questions: Firm Free Cash Flow (FFCF) or Cash Flow From Assets (CFFA)***

<http://www.fightfinance.com/?q=173,176,224,225,238,349,350,351,359,360,361,504,188,208,209,226,291,>