Course outline
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Unit 12 - Week-11

Week-11 Assignment-11

The due date for submitting this assignment has passed.
As per our records you have not submitted this assignment. Due on 2019-04-17, 23:59 IST.

1) A Cash Flow Statement serves which of the following objective(s):

- Highlights the cash generated from operating activities
- Helps to ascertain the liquid position of the firm
- Helps in the projection of future investing and financing plans of the enterprise
- All of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
All of the above

2) Cash flow statement is prepared under the provisions of which accounting standard?

- AS - 10
- AS - 3
- AS - 8
- AS – 12

No, the answer is incorrect.
Score: 0
Accepted Answers:
AS - 3

3) As per AS-3 (revised) issued by the Accounting Standards Board, cash funds include which of the following:

- Cash in hand
- Demand deposits with banks
- All of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
All of the above

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4) Which of the following is/are the primary reason(s) for holding cash?  
- Transaction Motive
- Precautionary Motive
- Speculative Motive
- All of the above

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
All of the above

5) Which of the following is not an example of cash flow from operating activities?  
- Cash payments to suppliers for goods and services.
- Cash receipts from royalties, fee, Commissions and other revenue.
- Cash receipts from disposal of fixed assets
- Cash payment or refund of Income tax.

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
Cash receipts from disposal of fixed assets

6) The closing balance worked out under cash flow statement in any year must be equal to:  
- The cash balance in the balance sheet of that year
- The profit after tax of that year
- The reserves & surplus of that year
- None of the above

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
The cash balance in the balance sheet of that year

7) Increase in share capital of a firm in the current year as compared to previous year should be recorded in the final cash flow statement under:  
- Investing activities
- Financing activities
- Operating activities
- Any of the above

No, the answer is incorrect.  
Score: 0

Accepted Answers:  
Financing activities

8) Purchase of Government Bonds should be recorded in the final statement under:  
- Investing activities
- Financing activities
- Operating activities

1 point
9) Buy back of equity shares should be recorded in the final cash flow statement under:
   - Investing activities
   - Financing activities
   - Operating activities
   - Any of the above

   No, the answer is incorrect. Score: 0
   Accepted Answers:
   - Investing activities

10) Increase in cash & bank balance in the current year as compared to previous years will be treated as:
   - Inflow of cash
   - Outflow of cash
   - Either inflow or outflow
   - Have no effect

   No, the answer is incorrect. Score: 0
   Accepted Answers:
   - Inflow of cash

11) Match the following:
   (i). Operating Activity
   (ii). Investing Activity
   (iii). Financing Activity

   A. Purchase of Plant & Equipment
   B. Cash payment to employees
   C. Interest paid on debentures

   - A, B, C
   - B, A, C
   - C, A, B
   - B, C, A

   No, the answer is incorrect. Score: 0
   Accepted Answers:
   - B, A, C

12) After convergence of Indian accounting standards with IFRS, new standard issued for preparing the cash flow statement is:
   - Ind As 10
   - Ind AS 3
   - Ind AS 7
   - Ind AS 12

   No, the answer is incorrect. Score: 0