



- 5 The Depreciation for the period is \_\_\_\_\_ to Depreciation Account.  
 A Debited B Credited  
 C Reduce D All of above
- 6 The \_\_\_\_\_ shows the inward and outward flow of cash of a company within a fixed period.  
 A Cash flow statement B Fund flow statement  
 C Ratio statement D Trend statement
- 7 For preparing fund flow statement we need to adjust the \_\_\_\_ figure for all non-cash expenses and non-cash incomes.  
 A Gross loss B Net loss  
 C Gross profit D Net profit
- 8 The difference between the current assets and current liabilities is known as \_\_\_\_\_.  
 A Working capital B Profit  
 C Loss D None of above
- 9 \_\_\_\_\_ is a liquid current asset.  
 A Machine B Stock  
 C Creditors D Cash
- 10 Issue of shares is the main source of \_\_\_\_\_ finance.  
 A long-term B short term  
 C medium term D All of above

**Part – B (Do as Directed)**

**(10)**

**Short questions answers.**

- 1 Give one importance of Financial Accounting.
- 2 Which are the most important tools and techniques of a financial statement analysis?
- 3 Give formula of Operating Ratio.
- 4 Give one Disadvantage of Joint Ventures.
- 5 Give Formula of Proprietary/Equity Ratio.
- 6 What is the first step to creating a joint venture?
- 7 What is the formula of Rate of Depreciation?
- 8 Which parts of cash flow statement are divided into three reporting areas?
- 9 Which activities represent the incoming and outgoing cash activities to run the day-to-day operation of a business?
- 10 Which two basic objectives of cash management?