■ *Achievement Exam*

Select the single best answer for each question or statement, then go online to www.myashworth.com and enter your answers.

1. The primary purpose of the statement of cash flows is to provide relevant information about:

_____ a. a company's ability to generate future positive net cash flows.

_____ b. a company's ability to meet cash operating needs.

_____ c. differences between net income and associated cash receipts and disbursements.

_____ d. the cash sources and cash uses of a company during an accounting period.

2. Cash flows arising from the purchase or sale of a company's own stock are cash flows from __________ activities.

_____ a. financing

_____ b. investing

_____ c. operating

_____ d. research