QUESTIONS 15 THROUGH 17 ARE BASED ON EXHIBIT 5-1.

Exhibit 5-1
The following data relates to Amanda Inc. for Year 3.

Gain on sale of equipment	8,000
Purchase of Will bonds ($300,000 face value)	275,000
Proceeds from sale of machinery	300,000
Dividends paid	50,000
Proceeds from sale of treasury stock	200,000

15. What is the amount reported as net cash provided from investing activities?

_____ a. $25,000

_____ b. $50,000

_____ c. $275,000

_____ d. $575,000

16. What is the amount reported as net cash provided by financing?

_____ a. $25,000

_____ b. $30,000

_____ c. $150,000

_____ d. $160,000

17. The gain on sale of equipment should be:

_____ a. a source of funds in the financing activities section.

_____ b. added back to net income to arrive at cash flow from operations.

_____ c. excluded from the statement of cash flows.

_____ d. subtracted from net income to arrive at cash flow from operations.

18. Refer to Exhibit 5-2. The net cash flow from operations for Year 7 is a __________. (Hint: Analyze the change in accumulated depreciation to determine the depreciation expense for the year.)

_____ a. $100,000 inflow

_____ b. $100,000 outflow

_____ c. $140,000 inflow

_____ d. $140,000 outflow

19. Refer to Exhibit 5-2. What is the net cash flow from investing activities for Year 7?

_____ a. $200,000 inflow

_____ b. $200,000 outflow

_____ c. $300,000 inflow

_____ d. $300,000 outflow

20. Refer to Exhibit 5-2. What is the net cash flow from financing activities for Year 7?

_____ a. $100,000 inflow

_____ b. $100,000 outflow

_____ c. $200,000 inflow

_____ d. $200,000 outflow