**True/False cash flow activity**

1. Cash is not as important as profit  FALSE
2. Net cash flow equals receipts minus payments TRUE
3. To improve cash flow, businesses should aim to reduce cash inflows  FALSE
4. Cash flow is the movement of cash into and out of a business TRUE
5. The closing balance can be calculated by combining the net cash flow with the opening balance TRUE
6. To improve cash flow businesses could negotiate longer payment terms with their suppliers  TRUE
7. Receipts are inflows of cash from things like sales of goods and interest on investments  TRUE
8. Poor cash flow is rarely a reason why businesses fail  FALSE
9. Management accountants can help firms to manage their

cash TRUE