**True/False cash flow activity**

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

10. Management accountants can help firms to manage their cash