

# Cash Flow Statement

(Crossword Puzzle #3)

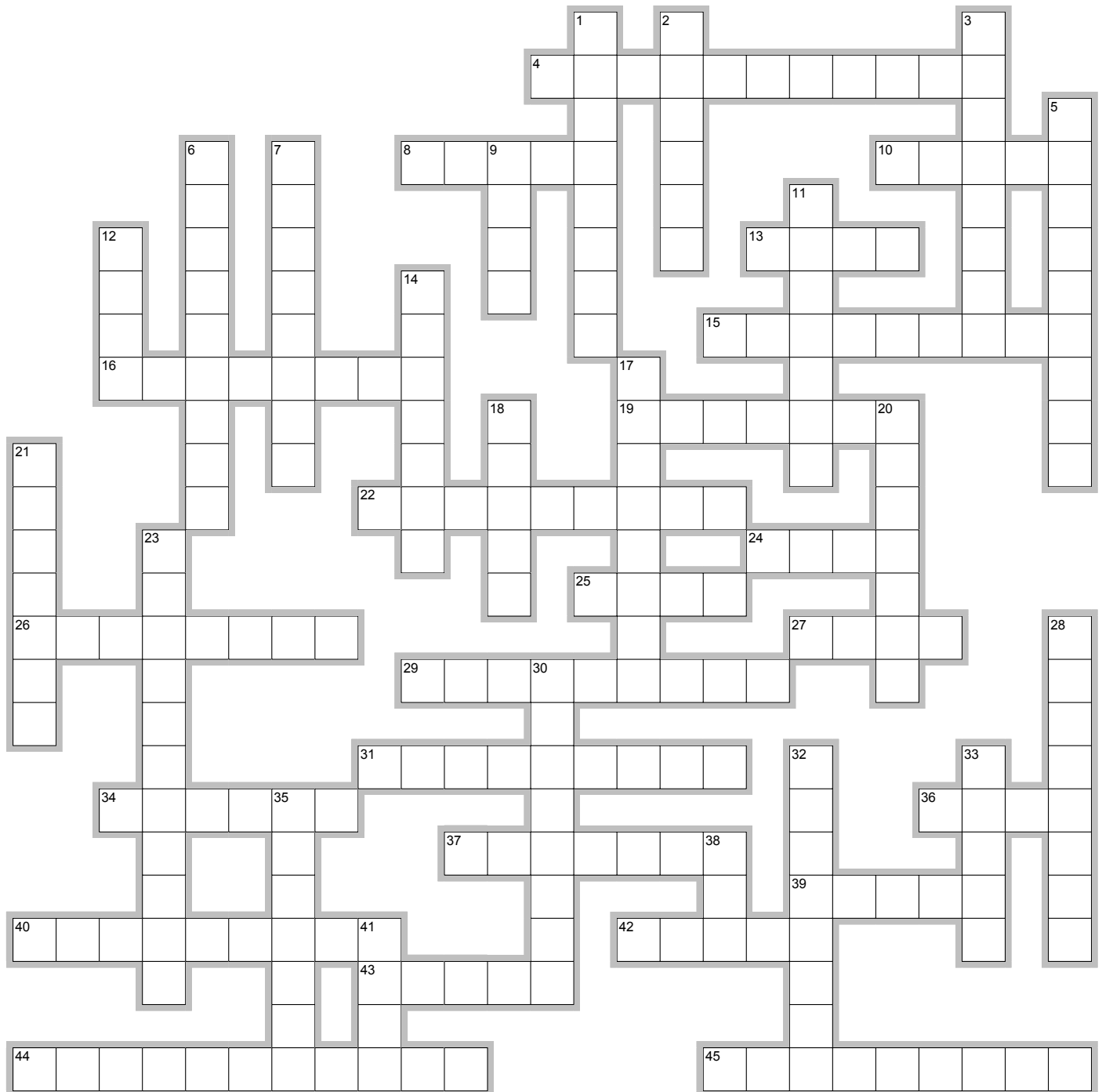


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# Crossword Puzzle (Cash Flow Statement #3)



## **ACROSS** (Cash Flow Statement #3)

4. The purchase or improvement of an expensive machine would be considered a capital \_\_\_\_\_.
8. If the operating \_\_\_\_\_ is longer than one year, it is used in determining whether an asset is a current asset or a long-term asset.
10. Generally, only investments with original maturities of \_\_\_\_\_ months or less qualify as cash equivalents.
13. Investing activities include cash inflows from the \_\_\_\_\_ of investments.
15. "Statement of Cash Flows" was the title of FASB's \_\_\_\_\_ of Financial Accounting Standards No. 95x and is now part of the FASB Accounting Standards Codification.
16. The \_\_\_\_\_ of bonds for land will be reported as supplemental information in the SCF.
19. The repayment or retirement of long-term debt is an example of a cash \_\_\_\_\_ (inflow, outflow) that is reported in the financing activities section of the Statement of Cash Flows.
22. The declaration and payment of dividends is reported in the \_\_\_\_\_ activities section of the statement of cash flows.
24. A loss occurs when a company sells a long-term asset for less than its \_\_\_\_\_ value.
25. The acquisition of an expensive machine will occur within one accounting period. However, the cost is usually charged to expense over its useful \_\_\_\_\_.
26. An increase in the deferred revenue account, \_\_\_\_\_ Revenue, will be reported as an increase in the operating activities section of the cash flow statement prepared under the indirect method.
27. Changes in \_\_\_\_\_-term assets are reported in the investing activities section of the cash flow statement.
29. Distributions of earnings to stockholders.
31. The "S" in FASB represents the word \_\_\_\_\_.
34. Although most companies use the indirect method of preparing the SCF, the FASB prefers the \_\_\_\_\_ method.

## **ACROSS** (Cash Flow Statement #3)

- 36. The accounting \_\_\_\_\_ (gain, loss) on the sale of a long-term asset is reported as an addition to net income under the indirect method of preparing the cash flow statement.
- 37. \_\_\_\_\_ assets include cash and other assets that will likely turn to cash or be used within one year of the balance sheet date.
- 39. Depreciation Expense is \_\_\_\_\_ to net income in the operating activities section of the statement of cash flows prepared under the indirect method.
- 40. The purchase or sale of the common stock of another corporation is reported in the \_\_\_\_\_ activities section of the statement of cash flows.
- 42. Changes in \_\_\_\_\_-term liabilities (other than loans payable) are reported in the operating activities section of the cash flow statement.
- 43. A gain occurs when a company sells a long-term \_\_\_\_\_ for more than its book value.
- 44. The statement of cash flows usually explains the change in the amounts reported for Cash and Cash \_\_\_\_\_.
- 45. Some financial analysts compare the cash from \_\_\_\_\_ activities to the amount of reported net income in an effort to assess the quality of earnings.

## Down (Cash Flow Statement #3)

1. Depreciation, depletion, and amortization are commonly referred to as noncash \_\_\_\_\_.
2. The cash flow statement covers a \_\_\_\_\_ of time.
3. An increase in asset accounts (other than the Cash account) is assumed to cause Cash to \_\_\_\_\_. (decrease, increase)
5. \_\_\_\_\_ is to natural resources what depreciation is to buildings and equipment.
6. The first word in the acronym FASB is \_\_\_\_\_.
7. An increase in a liability account is assumed to usually cause cash to \_\_\_\_\_. (decrease, increase)
9. The entire amount of \_\_\_\_\_ received from the sale of a long-term asset is reported in the investing activities section of the cash flow statement.
11. A decrease in Accounts \_\_\_\_\_ will be reported as a decrease in cash provided by operating activities under the indirect method of preparing the SCF.
12. If the Dec. 31, 2022 balance in Accounts Receivable is \_\_\_\_ (less, more) than the Dec. 31, 2021 balance, the difference is reflected as a negative effect on cash in the operating activities of the 2022 SCF prepared under the indirect method.
14. A decrease in the current asset, \_\_\_\_\_ Insurance, will be reported as an increase in the operating activities section of the SCF prepared under the indirect method.
17. A decrease in the balance in the Inventory account is considered to have a \_\_\_\_\_ (positive, negative) impact on cash.
18. Some of the amounts for the investing activities section of the cash flow statement come from the balance sheet section, Property, \_\_\_\_\_ and Equipment.
20. The changes in the \_\_\_\_\_ capital accounts (other than loans payable) are used in the operating activities section of the statement of cash flows prepared under the indirect method.
21. One cannot expect the change in Cash and Cash Equivalents to equal a corporation's net income since the income statement is prepared under the \_\_\_\_\_ basis of accounting.

## Down (Cash Flow Statement #3)

- 23. Some of the amounts for the financing activities section of the cash flow statement come from the balance sheet section, Long-term (noncurrent) \_\_\_\_\_.
- 28. A company's own stock that is repurchased but not retired is \_\_\_\_\_ stock.
- 30. The operating activities section of the cash flow statement prepared under the direct method will differ from the cash flow statement prepared under the \_\_\_\_\_ method.
- 32. A decrease in Bonds Payable will be reported on the SCF as having a (positive, negative) impact on cash.
- 33. Long-term debt securities requiring interest payments every six months and the principal repayment at maturity.
- 35. \_\_\_\_\_ expenditures are reported in the investing activities section of the statement of cash flows.
- 38. The sale of land for a cash amount that is different from the land's book value will affect this number of sections of the statement of cash flows.
- 41. The accounting \_\_\_\_\_ (gain, loss) on the sale of a long-term asset is reported as a deduction to net income under the indirect method of preparing the statement of cash flows.

# Solutions (Cash Flow Statement #3)

