Name: Roll No.:

**Assignment - 1**

State whether the following statements are true or false:

1. Private equity funds invest in start-ups because their risk appetite is much higher than investors who trade in the capital market
2. Investors do not invest in a loss-making company
3. For a firm operating in the non-finance sector, interest income arises from operating activities
4. Both investment in equity and investment in debt are exposed to business risks
5. Conservatism aims to protect the interest of lenders, although it results in the nondisclosure of information relevant to investors and potential investors
6. GAAP controls accounting policy
7. The money measurement concept prohibits recognizing what may be essential and important resources business firms use.
8. A company’s Board of Directors report is a statutory report
9. The auditor’s responsibility is to express their opinion about the quality of information provided in the annual report
10. Innovation is an operating activity for firms operating in the manufacturing sector