



Internship Report

On

**“The Effect of Cash Flow Statement on Investment Decision at Salaam
Somali Bank in Mogadishu-Somalia”**

Submitted to:

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LETTER OF TRANSMITTAL

Date: 21th September 2018

To: Dr. Mostafa Kamal

Professor

Department of Business Administration and

Department of Real Estate

Faculty of Business and Economics

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Subject: - Submission of Thesis Paper

Dear Sir,

With due respect, I'm glad to submit my thesis paper entitled "The Effect of Cash Flow Statement on Investment Decision Making at Salam Somali Bank in Mogadishu-Somalia" as a partial fulfillment of Master of Business Administration. It is an immense pleasure to complete this thesis within due time under your guidance and supervision. While conducting this research all instructions and guidelines were duly followed.

A sincere time was spent and all necessary effort was made to complete this research in a feasible and realistic way, with hope that this thesis will meet all the requirements and expectations.

Thank you

Yours Sincerely,

.....

Abdullahi Hassan Mudey

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MBA Program (Finance)

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LETTER OF AUTHORIZATION

I hereby declare that this submission is my own work in completion of the program of Master of Business Administration, major in Finance, and that to the best of my knowledge, it's my work and it contains no material previously published by another person nor it has been accepted for the award of any other degree of the university, except where due acknowledgement has been made in the text.

Abdullahi Hassan Mudey

ID: 181 – 14 - 2657

Signature

Date

LETTER OF ACCEPTANCE

I am very much pleased to certify that the thesis paper entitled “The Effect of Cash Flow Statement on Investment Decision Making at Salam Somali Bank in Mogadishu-Somalia” prepared by **Abdullahi Hassan Mudey** ID No: **181-14-2657**, Department of Business Administration, Faculty of Business and Economics Daffodil International University under my supervision. The data and findings presented in this thesis paper seem to be authentic. Thus, the thesis paper has been approved for presentation.

I wish him every success in life.

.....

Date.....

Dr. Mostafa Kamal
Professor, Department of Business Administration and
Advisor, Department of Real Estate
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ABSTRACT

The motivation behind this examination is to research the Effect of income proclamation on Investment Decision Making in Salam Somali Bank in Mogadishu-Somalia. This investigation led through Survey examine structure. The objective populace of this investigation was representative and supervisors of Salam Somali Bank, and the example measure comprised of 80 respondents. The information was extricated from the Salam Somali Bank Mogadishu-Somalia through poll, and the information dissected by utilizing SPSS.

The examination discovered income proclamation has affect on the Investment Decision Making; this implies if there is great income explanation can take successful Investment basic leadership. The investigation suggested that an expert bookkeeper ought to be utilized by the organizations so as to give significant data and keep precise record of the organizations' record and successful administration basic leadership. The consequences of the investigation uncovered that Operating and Financing money streams have critical beneficial outcome on organization's benefit in the Banking division of Somalia. And furthermore that there is requirement for Salaam Somali Bank to upgrade its working exercises, contributing exercises and financing exercises in order to enhance its Investment Decision Making. Through working exercises, contributing exercises and financing exercises the Salaam Somali bank chiefs might have the capacity to know credit worth customers and along these lines decrease their non-performing advances and enhance Investment Decision Making of the Bank. Further research is prescribed on the impact of income articulation of salaam Somali bank and to perceive how the component of income proclamation impacts and clarifies the credit execution of salaam Somali bank.

LIST OF ACRONYMS AND ABBREVIATIONS

REO	Return on equity
ROA	Return on asset
CVI	Content validity Index
SPSS	Statistical Package for Social Science
SSB	Salaam Somali Bank

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CHAPTER ONE

1.0. Introduction

1.1. Background to the study

Recorded income data is regularly utilized as a marker of the sum, timing and sureness of future money streams. It is additionally valuable in checking the precision of past appraisals of future money streams and in analyzing the connection among benefit and net income and the effect of evolving costs.

An income explanation, when utilized related to the next fiscal reports, gives data that empowers clients to assess the adjustments in net resources of an endeavor, its money related structure (counting its liquidity and dissolvability) and its capacity to influence the sums and timing of money streams so as to adjust to changing conditions and openings. Income data is helpful in surveying the capacity of the undertaking to create money and money reciprocals and empowers clients to create models to evaluate and look at the present estimation of things to come money streams of various endeavors. It likewise improves the likeness of the revealing of working execution by various ventures since it dispenses with the impacts of utilizing distinctive bookkeeping medicines for similar exchanges and occasions. Wurgler (2000).

The different revelation of money streams that speak to increments in working limit and money streams that are required to keep up working limit is helpful in empowering the client to decide if the undertaking is putting satisfactorily in the support of its working limit. An endeavor that does not put satisfactorily in the support of its working limit might bias future benefit for current liquidity and conveyances to proprietors.

Money counterparts are held to meet transient money duties instead of for speculation or different purposes. For a venture to qualify as a money proportionate, it must be promptly convertible to a known measure of money and be liable to an irrelevant danger of changes in esteem. In this way, a speculation typically qualifies as a money proportional just when it has a short development of, say, three months or less from the date of procurement. Interests in offers are barred from money reciprocals except if they are, in substance, money counterparts; for instance, inclination offers of an organization procured in the blink of an eye before their predefined reclamation

date (gave there is just an irrelevant danger of disappointment of the organization to reimburse the sum at development Cash streams prohibit developments between things that comprise money or money reciprocals in light of the fact that these segments are a piece of the money the executives of an endeavor instead of part of its Working, contributing and financing exercises. Money the board incorporates the venture of abundance money in real money counterparts. Tickell, G. (2010).

An undertaking presents its money streams from working, putting and financing exercises in a way which is most proper to its business. Characterization by movement gives data that enables clients to evaluate the effect of those exercises on the money related position of the endeavor and the measure of its money and money counterparts. This data may likewise be utilized to assess the connections among those exercises.

The measure of money streams emerging from working exercises is a key marker of the degree to which the activities of the venture have created adequate money streams to keep up the working capacity of the undertaking, pay profits, reimburse credits and make new speculations without plan of action to outside wellsprings of financing. Data about the explicit segments of “©Daffodil international university”

recorded working money streams is valuable, related to other data, in determining future working money streams. Rafiee, A. (2009).

Money streams from working exercises are basically gotten from the primary income delivering exercises of the venture. Subsequently, they by and large outcome from the exchanges and different occasions that go into the assurance of net benefit or deficit. Instances of money streams from working exercises are: (a) money receipts from the offer of merchandise and the rendering of administrations; (b) money receipts from sovereignties, expenses, commissions and other income; (c) money installments to providers for products and ventures; (d) money installments to and in the interest of representatives; (e) money receipts and money installments of a protection endeavor for premiums and cases, annuities and other approach benefits; (f) money installments or discounts of pay charges except if they can be explicitly related to financing and contributing exercises; and (g) money receipts and installments identifying with fates contracts, forward contracts, choice contracts and swap contracts when the agreements are held for managing or exchanging purposes. Carlin, T. M. (2003).

1.2. Salam Somali Bank

About Salam Somali Bank

Salaam Somali bank was built up in October 2009 to answer the requirement for the network towards saving money. The keeping money area in Somalia is demonstrating a critical change in perspective far from customary methods for cash exchange. Salaam Somali Bank (SSB) bears the basic duty of driving the route forward in building up a steady and dynamic managing an account framework loaded with dynamic and bleeding edge items and administrations.

Salaam Somali bank was built up in October 2009 to reply to this need. Regardless of whether you are an individual or institutional customer, Salaam Somali bank is there to help you as an

accomplice in your prosperity. It is focused on giving the largest amount of customized keeping money administrations. Salaam Somali bank guarantees to offer tweaked arrangements that meet the remarkable needs of their customers through the correct mix of customary keeping money administrations and exceptional highlights for the Somali people group. Eventually, SSB endeavor to make your prosperity basic.

Salaam Somali bank has confidence in increasing the value of the customers' lives and business through unique and focused items and administrations that satisfy their necessities while adjusting totally to the managers of universal models. Keep running by a group of devoted experts you can rest guaranteed that your funds are well dealt with.

1.3. Proclamation of the Problem

In current business condition, which is winding up progressively focused, the survival of firms, dispatch little or expansive; relies on the vital choices made by the board. This is anyway finished with the assistance of budget reports investigation, which is a major test to most nations having deficiency of expert bookkeepers and budgetary examiners as it is the situation to our nation. Each person needs data so as to settle on the correct choice, the ideal time. In a business association, the budgetary information are acquired from the fiscal reports. Leaders must investigate the information in budget summaries to give the significant data to utilize. Without right data, the choices settled on by leaders may check the development of the association. In this view, subsequently, a continued achievement will rely upon how great choices are made dependent on the best possible investigation of fiscal reports. In this manner, there is a cozy connection between examination of budget reports and viable business basic leadership.

The administration of big business is relying upon bookkeeping data for taking different vital choices. Money related report gives such data. This data is made valuable by dissecting and understanding of budget reports with help of money related examination techniques. (Mbabazize, 2016) According to James et.al 2005, assessing the company's money related condition and execution, the budgetary investigation needs to perform checkups on different parts of a company's monetary wellbeing. Budget reports are imperative devices in the administration for basic leadership. (Ngugi, 2001) Financial explanations are arranged principally for basic leadership, yet the data gave in fiscal summaries isn't an end in itself and no significant end can be drawn from these announcements alone.

The monetary examination helps in settling on choices from the data gave in these fiscal summaries. Along these lines, the best possible fiscal summaries examination helps the executives in imparting data which is applicable and intentional for chiefs to guarantee the viability of the executives in the endeavor. In Rwanda, no examination has been completed on the impact of budget report investigation in this manner the scientist needs to round the hole via doing the examination. This examination is set up to research the impact of income articulation on venture choices making utilizing Salam Somali Bank Bakara advertise Mogadishu Somalia for the contextual analysis.

Actually, huge numbers of the real enterprises engaged with budgetary outrages have gotten in a bad position since they played recreations with the stray pieces of their income for speculation.

In Somalia, Somali government and its independent company they use income ((global fiscal reserve 2016) (Joe Cavanagh, Suzanne Flynn, and Delphine Moretti 2016)

We on centers the value of accumulation premise of bookkeeping and the impediments of money premise of bookkeeping in monetary detailing Salam Somali bank in Mogadishu-Somalia.

This paper is an introduction of our examination on bookkeeping "money" and "collection" models,

Research began to discover approaches to utilize them by substances in Somalia, and the enhancement of the two models in monetary revealing.

The point of this paper is to look at the impact of income articulation on speculation choices making at Salam Somali Bank in Mogadishu-Somalia.

1.4. Objective of the study

General target

The target of this investigation is to look at the impact of income explanation on speculation choices making at Salam Somali Bank in Mogadishu-Somalia.

Explicit goals

- i. To build up the impact of income proclamation from working action on speculation basic leadership.
- ii. To decide the impact of income articulation from contributing action on venture basic leadership.
- iii. To keep up the impact of income articulation from financing action on venture basic leadership.

1.5. Research questions

- i. What is the impact of income articulation from working action on venture basic leadership?
- ii. What is the impact of income articulation from contributing action on venture basic leadership?
- iii. What is the impact of income articulation from financing action on venture basic leadership?

1.6. Hypothesis

There is no measurably noteworthy impact of income articulation from working movement on speculation basic leadership.

There is no measurably noteworthy impact of income articulation from contributing movement on speculation basic leadership.

There is no measurably noteworthy impact of income articulation from financing movement on speculation basic leadership.

1.7. Scope of the study

1.7.1 Content scope

The examination researched the impact of income proclamation on speculation choices making at Salam Somali Bank. Income articulation included working action, contributing action and financing movement to discover how these components relate and contribute the speculation choices creation of Salaam Somali bank, Mogadishu-Somalia.

1.7.2 Geographical scope

The examination was completed in Mogadishu-Somalia and concerned the Salaam Somali bank to explore impact of income explanation on venture choices making at Salam Somali Bank.

1.7.3 Time scope

The examination was constrained to the period September to December.

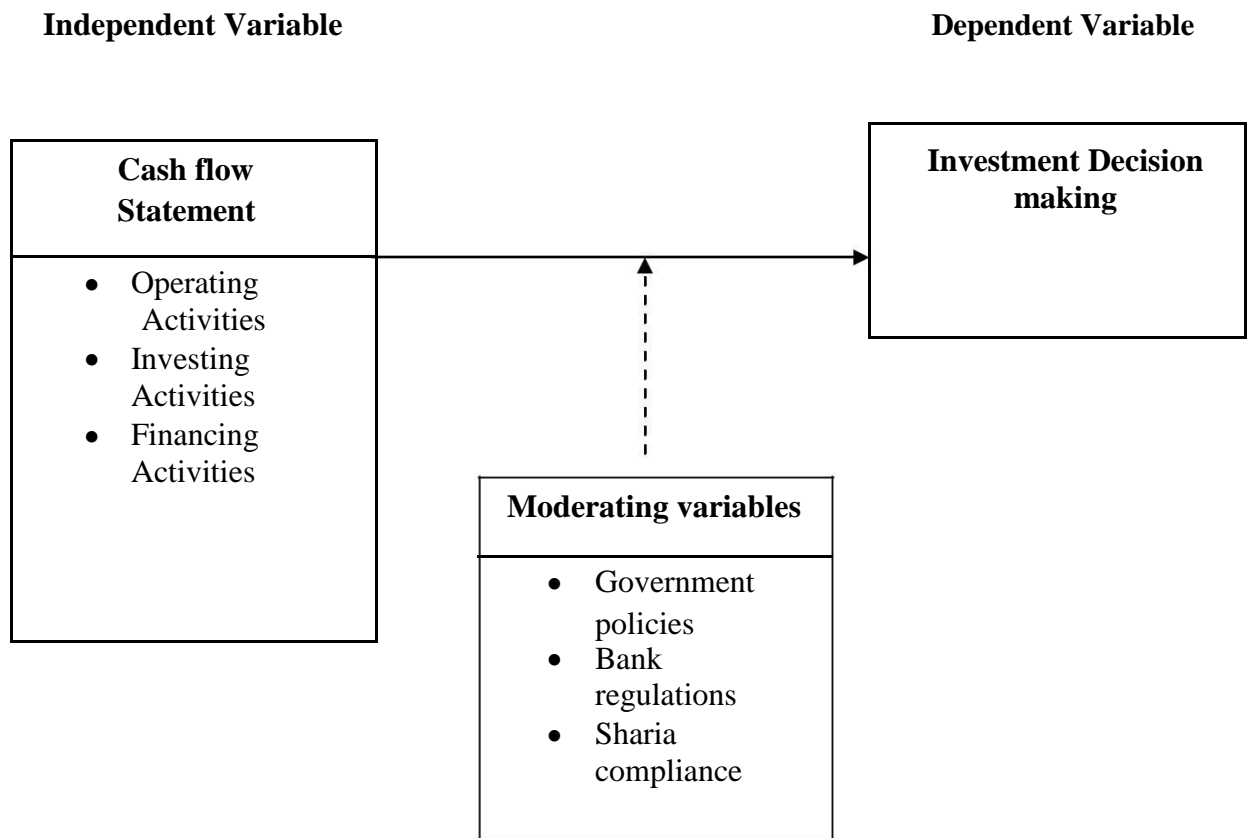
1.8. Significance of the study

This investigation is imperative for the two administrations organizations and potential scientists. First this exploration will be useful for both present and potential financial specialists as the discoveries and the suggestions. This investigation will be of huge advantage to banks by enhancing the saving money execution budgetary experts, speculators, organizations and monetary foundations. This is on the grounds that the investigation plans to help these investors in basic leadership.

The examination will help in expanding learning income proclamation in venture basic leadership, it will likewise make the association to welcome the significance of sound income articulation in the giving of data important to basic leadership. It will audit the enhancement in the Banks dealing with the income explanation and show similarly the courses through which enhancement could be cultivated at long last this examination will similarly fill in as a kind of perspective to understudies.

It's critical to the scientists the individuals who need to realize the income articulation and speculation basic leadership, and the individuals who need to influence research to can utilize this exploration as in light of the fact that the investigation plans to help these investors in basic leadership.

1.9. Conceptual Framework



Source: Kurawa and Garba (2014) as modified by the researcher.

The conceptual framework shows that cash flow statement influences the investment decision making of Salaam Somali bank. In this framework, cash flow statement is taken to involve operating activities, investing activities and financing activities while investment decision making involves the return on investment, liquidity and profitability. The figure hypothesizes that all methods of cash flow statement (operating activities, investing activities and financing activities) have an effective with investment decision making of salaam Somali bank Mogadishu-Somalia. However, the conceptual framework further describes that the moderating variables may hold back this effect.

1.10. Operational definitions

Cash flow Operating activities: Cash spill out of working exercises (CFO) is a bookkeeping thing that demonstrates the measure of cash an organization acquires from the continuous ordinary business exercises, for example, assembling and moving products or giving an administration. Income from working exercises does exclude long haul capital consumptions or speculation costs, as they might be one time exercises. CFO concentrates just on the center business, and is otherwise called working income (OCF) or net money from working exercises.

Investing activities: Cash spill out of contributing exercises is a thing on the income explanation that reports the total change in an organization's money position coming about because of speculation increases or misfortunes and changes coming about because of sums spent on interests in capital resources, for example, plant and hardware. When investigating an organization's income proclamation, it is imperative to consider every one of the different segments that add to the general change in its money position. Negative money streams are not constantly characteristic of poor execution. Frequently, firms have negative by and large money streams for a period in view of substantial venture uses.

Financing activities: Cash spill out of financing (CFF) exercises is a classification in an organization's income explanation that represents outside exercises that enable a firm to raise capital. Notwithstanding raising capital, financing exercises additionally incorporate reimbursing speculators, including or evolving advances, or issuing increasingly stock. Income from financing exercises indicates speculators the organization's money related quality. An organization that often swings to new obligation or value for money, for instance, could have issues if the capital markets turn out to be less fluid.

Investment: The venture of a firm are to a great extent known as the capital planning might be characterized as the company's to put its present subsidizes most productively in the long haul resources in foreseen of a normal stream of advantages over a progression of years.

Decision-making is one of the elements of the executives among numerous different capacities that are attempted by the administration of an association (Pandey, 2000) . Basic leadership is the way to money related supervisors' prosperity and is extremely urgent for any banks. Directors continually take activities that influence the banks.

For instance, the presentation of new items an essential choice to make, Hence, monetary detailing is vital to leaders to settle on choice on speculation, credit arrangement, advertising techniques, money related, and comparative choices (Kaurdi 1999).

Choices are made out of accessible data; consequently, budgetary reports ought to be made accessible to clients intermittently.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

In this part the specialist was focus the writing survey of the investigation. This Study was research the impact of income explanation on speculation basic leadership In Salam Somali Bank; Mogadishu-Somalia, The primary areas of this examination will be ideas &Definitions of income proclamation, venture, the job of income articulation from working Activity contributing action financing movement, to inspect the connection between income Statement and speculation basic leadership and end.

2.1 CONCEPTS AND DEFINITION OF CASH FLOW STATEMENT

Income articulation is set up toward the finish of a monetary period to demonstrate how money was influenced by the business working contributing and financing exercises amid the bookkeeping time frame. The goal of income articulation is to give a reasonable introduction (data) of development of money of an element. Income proclamation just means an announcement indicating changes or development of money or money gear amid a given period. Quickly it might be expressed as demonstrating different wellsprings of money inflows and different take of money off streams. It is set up from pay articulation and changes in the working capital (current resources less present liabilities). Money inflows are those which increment the money position and money out streams are those which decline the money position.

Area 7 of the universal Financial Reporting standard, (IFRS7) required the arrangement of money streams explanation by substances. The income proclamation is independent budget summary that gives substance. Income explanation gives data about the money receipts and installments of a venture for a given period. It gives critical data that compliments the benefit and misfortune record and asset report. An income articulation is an explanation which gives a definite clarification to the adjustment in an association's money amid a specific period by demonstrating the association's sources and employments of money amid that period. Income articulation groups income amid the period from working, contributing and financing exercises.

Inside capital markets are a noteworthy wellspring of capital distribution in present day modern economies. For instance, Lamont (1997) has assessed that for the period 1981-1991, inner assets represented multiple quarters of capital consumption expenses for US non-money related enterprises. This over-dependence on self-produced money as a channel for venture has provoked specialists to examine the connection between firms' speculation choices and interior assets.

In this present reality where capital markets are immaculate and all organizations have free access to outside wellsprings of financing, venture choices would be founded exclusively on expected future productivity and, in this manner, not be influenced by the accessibility of inside created reserves. Since assumptions about future benefits can't be straightforwardly watched, a prominent intermediary utilized in the writing for these imperceptible venture openings is Tobin's q . The general thought is that in a proficient market, higher expected future gainfulness ought to get fused in a higher current market esteem and along these lines a higher q proportion McGraw-Hill, 2001.

The essential goal of investigations of outside financing requirements is to appraise the affectability of a company's venture to the accessibility of interior assets, subsequent to controlling for future development or speculation openings. Ideally, if both venture openings (Tobin's q) and interior income are incorporated into the model portraying speculation conduct, just q ought to have control as a logical variable and the coefficient for income ought not be huge. This is on the grounds that inside and outside wellsprings of capital are ideal substitutes in “©Daffodil international university”

such a world. In any case, an altogether positive coefficient for the inside income variable can be translated as showing the nearness of outer financing limitations Hillman, N. what's more, C. Collony (2011).

In outline, either approach models the differential expense of outside back from value and obligation advertises under deviated data and the job of inward capital assets in impacting the expense of fund. The verifiable recommendation is that sure classes of acquiring firms may discover it extremely costly to get financing through the immediate issuance of securities in the open market and along these lines turn out to be increasingly subject to inward capital markets or wellsprings of assets.

Another key component of numerous models of capital market grindings dependent on awry data is that firm heterogeneity is critical. For instance, extensive develop firms with generous inward assets in respect to their venture openings can be relied upon to be less inclined to have their speculations compelled by an absence of monetary capital versus more youthful and developing undertakings with lower dimensions of total assets Dickinson, C. (2000).

The inquiry at that point is to recognize factors that can be utilized to appraise the seriousness of these outside financing limitations. In the primary investigation around there, FHP utilized profit payout proportion as a proportion of (the absence of) financing limitation, the basic contention being that the profit payout proportion is a decent pointer of a firm having surplus inside assets.

Firms with low profit payouts were recognized as being monetarily obliged, while high profit paying firms were ordered as fiscally unconstrained. FHP announced that the venture income affectability was most elevated for the least profit payout gathering of firms and the other way around. Alexander, D. what's more, Britton, A (2004).

Still different scientists have utilized other isolating factors. For instance, separated firms based on whether the organizations had issued business paper or securities that were evaluated. The hidden thinking was that organizations that issued business paper or securities evaluated by outer offices had a progressively prepared access to obligation capital markets and were subsequently

not fiscally compelled. Raj Gnanarajah 2014 has utilized size and age (time since posting) as proportions of (the absence of) budgetary requirements, contending that more seasoned and bigger firms have better access to outside capital.

Froot, Scharfstein, and Stein (1993) build up a hypothetical model, and give supporting experimental proof, demonstrating that organizations fence with subsidiaries to diminish the effect of budgetary imperatives on speculation income affectability. Also, Kedia and Mozumdar (2001) demonstrate that organizations support with remote cash obligation to lessen this effect.

The work is in comparative soul and gives backhanded proof to the FHP venture income theory by methods for a characteristic analysis. The inspiration driving his examination depended on the accompanying perception, despite the fact that there exists a solid relationship between's inner money and venture, a direct causal association between the two is harder to build up since both speculation and income can be driven by hidden stuns to productivity.

Lamont brought up that albeit earlier examinations had endeavored to control for the productivity of speculation K.R. and Halsey, R. (2007). 10 by consolidating a measure such an intermediary for Tobin's or some market-to-book proportion in the evaluated condition, current productivity could in any case be a superior proportion of future gainfulness of speculation than that acquired from securities exchange information. The evaluated venture income affectability coefficients in such a setting would be one-sided. Bergmann, A. (2012).

To address this issue, Lamont (1997) takes an alternate course by endeavoring to concentrate on finding an exogenous instrument for money. Utilizing information from the oil business, he can recognize stuns to money that are uncorrelated (or if nothing else not decidedly related) with the profits to speculation.

All the more explicitly, a basic immaculate capital markets model would suggest that when an organization's oil fragment encounters a money shortage, a similar organization's non-oil section ought to be unaffected, given the NPV of non-oil speculation is unaffected. Interestingly, a model joining market flaws would infer that with the hardening of money related imperatives,

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the shadow cost of speculation should ascend for all undertakings prompting a fall in the measure of venture (ceteris paribus) for all divisions of the firm.

Lamont (1997) finds that diminishes in the money streams of oil portions of multi-section firms gets meant lessened venture spending in non-oil fragments. The general end is that interior capital markets assume a non unimportant job in the assignment of capital and direct proof of a causal impact between inside money and venture is built up.

The important finish of the examinations referenced up to this point is that speculation income affectability is higher in fiscally obliged firms (as demonstrated by the specific decision of intermediary), though monetarily unconstrained firms show bring down venture income affectability. An auxiliary end is that the level of money related limitation is an element of different factors, for example, uneven data, organization issues, or exchange costs. Christiaens, J., Reyniers, B., and Rollé, C. (2010). In spite of the fact that Wurgler (2000) has represented his examination in to some degree diverse terms (utilizing an esteem included measure, characterized as the distinction among deals and cost of products sold), the association with the speculation income affectability writing is clear.

The important distinction is that in his framework, value added is the single independent variable, and captures the impacts of both investment opportunities and cash flow on investment. Consequently, his finding that the sensitivity of investment to value added is higher for financially more developed countries is consistent with either of two competing explanations:

- (i) Investment is more responsive to investment opportunities in financially developed countries;
- (ii) investment is more sensitive to cash flow in financially developed countries.

FORMAT OF THE STATEMENT OF CASH FLOWS

ILLUSTRATION 23-2

COMPANY NAME STATEMENT OF CASH FLOWS PERIOD COVERED		
<hr/>		
Cash flows from operating activities		
Net income		XXX
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
(List of individual items)	<u>XX</u>	<u>XX</u>
Net cash provided (used) by operating activities		XXX
Cash flows from investing activities		
(List of individual inflows and outflows)	<u>XX</u>	
Net cash provided (used) by investing activities		XXX
Cash flows from financing activities		
(List of individual inflows and outflows)	<u>XX</u>	
Net cash provided (used) by financing activities		<u>XXX</u>
Net increase (decrease) in cash		XXX
Cash at beginning of period		<u>XXX</u>
Cash at end of period		<u><u>XXX</u></u>

ILLUSTRATION 23-2

2.1.1 CASH FLOW FROM OPERATING ACTIVITIES

Working exercises can be distinguished by characterization in fiscal summaries. Numerous organizations report working pay or pay from tasks as a discrete line of the salary articulation.

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Working pay is determined by subtracting cost of offers; innovative work costs; moving and showcasing costs; general and regulatory costs; and deterioration and amortization costs.

Higgins, G. (2009).

Working pay bars intrigue salary or costs. For instance, an attire stores working exercises may incorporate purchasing materials and paying for work to deliver garments; paying to transport the materials to the processing plant and the garments from production lines to distribution centers; masterminding transport from stockrooms to retail locations and mail-arrange clients; paying representatives to work in distribution centers and retail locations; paying chiefs to direct tasks;

Money streams from working exercises is one of the significant subsections of the announcement of money streams. It is isolated from the segments on contributing exercises and financing exercises. Contributing exercises allude to income or uses on long haul resources, for example, gear and offices, while financing exercises are the money streams between an organization and its proprietors and lenders from exercises, for example, issuing securities, resigning securities, moving stock or repurchasing stock.

To get a precise image of an organization's income from working exercises, bookkeepers include devaluation costs, misfortunes, diminishes in current resources and increments in current liabilities to total compensation, and after that subtract gains, increments in current resources and diminishes in current liabilities. Financial specialists look at an organization's income from working exercises independently from the other two parts of income to see where an organization is truly getting its cash.

Speculators need to see positive income due to positive pay from working exercises, which are repeating, not on the grounds that the organization is auctioning off the entirety of its benefits, which results in one-time gains. The organization's asset report and pay proclamation help round out the image of an organization's monetary wellbeing. (Kordestani,& Iranshahri 2010).

Money created by generation and offers of business is reflected under this head. It similarly signifies inflow of money from working exercises and surge of money for business working costs. E.g. money from task is the income net of costs.

2.1.2 CASH FLOW FROM INVESTING ACTIVITIES

Income from contributing exercises is a thing on the income proclamation that reports the total change in an organization's money position coming about because of any additions (or misfortunes) from interests in the budgetary markets and working backups and changes coming about because of sums spent on interests in capital resources, for example, plant and hardware.

While breaking down an organization's income explanation, it is essential to consider every one of the different areas which add to the general change in real money position. By and large, a firm may have negative generally speaking income for a given quarter, yet in the event that the organization can produce positive income from business tasks, the negative by and large income might be an aftereffect of substantial venture consumptions, which isn't really an awful thing. Tickell, G. (2010).

There are three principle budget summaries: the asset report, salary proclamation and income articulation. The accounting report gives a diagram of organization resources and obligations. The pay articulation gives an outline of organization incomes and costs. The income explanation overcomes any issues between these two articulations by demonstrating experts how much money is produced or spent on working, contributing and financing exercises. (Lawrence and ACITN , 2013).

The descending inclination because of negative money streams in the speculation income affectability estimation is additionally the focal point of Allayanis and Mozumdar (2001) who demonstrate that end of these negative income perceptions, which ordinarily represent a little level of the aggregate number of perceptions, fundamentally expands the greatness of the venture income affectability gauges. Besides, since monetarily compelled firms are bound to have a more prominent extent of negative income year perceptions,
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The sensitivities for this gathering is increasingly powerless to underestimation which in extraordinary cases might be confused as the cold-heartedness (or low affectability) of venture to interior money streams. This segment indicates money put resources into long haul resources e.g. buy of hardware and other long haul resources and also other current resources, for example, buy of value offers of other organization and so forth and money receipts from such contributing exercises e.g. profit got, intrigue got offers of hardware and scrap and so on.

2.1.3 CASH FLOW FROM FINANCING ACTIVITIES

Financing exercises are exchanges that influence perceived resources or liabilities yet don't result in genuine money receipts or payment. Precedents incorporate obligation to value transformations, resource acquisitions with risk suspicions, capital rent exchanges and trades of non-money resources or liabilities for other non-money resources or liabilities. Abubakar, Lawal (2007).

As per Accounting Standards Codification (ASC) Topic 230, Statement of Cash Flows, the suggested income impacts of such non-money exchanges are prohibited from the announcement of money flows.¹ Rather, they are consigned to a valuable divulgence either attached to the Statement of Cash Flows or in a different commentary to the fiscal reports. Consider, for instance, the instance of Green Mountain Coffee Roasters, Inc.

Specifically, in its supplemental exposures, the organization reports settled resources gained under capital rent and financing commitments in the measure of \$66,531 thousand.

These are capital consumptions, yet capital uses obtained with financing gave at the season of procurement either by the gear merchant or by a budgetary foundation who sent the financing continues specifically to the hardware seller. Since Green Mountain Coffee Roasters did not specifically get and dispense the assets, the financing continues are viewed as a noncash action that isn't accounted for on the announcement of money streams yet is rather consigned to a supplemental revelation. Kordestani, GH. also, A. Iranshahy (2010).

There is minimal substantive contrast between an exchange that involves an unequivocal exchange of money and one that involves a non-money action. For instance, on account of Green Mountain, the non-money exchanges result in increments in settled resources and financing commitments in indistinguishable way from money based exchanges. Notwithstanding, for reasons for the announcement of money streams, the two exchanges are accounted for in an unexpected way (Robinson, 2002).

This segment of Cash stream explanation means money created from exercises to back the business task. E.g. money receipt because of issue of value offers or debentures and so on and money paid to such partners, Dividend to value offers or enthusiasm on debenture and so forth.

2.1.4 CASH FLOW STATEMENT:

This is an explanation which condenses the wellsprings of money inflows and the employments of money surges amid specific of bookkeeping period month or a year (that is, money receipt and installment) in the association for a specific timeframe.

2.2 INVESTMENT DECISION MAKING

The interest to design a venture is impacted by the speculator's past benefit involvement and his theories about future benefit openings. Agents will put resources into stocks too, where their choice relies upon their past exp the normal rates of benefit and the peril of the different potential speculation chances to him; and, then again, of the expense of fund. In the event that the normal rate of benefit surpasses the expense of fund by the edge required to The choice of the financial specialist to contribute is abstract. His choice relies upon the normal costs, his insight into the enhanced methods and his hazard observation, which is totally an emotional factor. Businesspeople need to know the - off period to choose whether they really will make the speculation use or not. (Harcourt et al., 1967) For a decent venture choice, the speculator needs to see totally and accurately the conceivable chances and these choices ought not be made in a surge.

A wrong speculation choice can lead organizations even to chapter 11. It is important to comprehend the essential thoughts of the speculation choices to get the most extreme incentive from the evaluation procedure. In venture assessment, the pointers ought to be picked with respect to the explicit idea of the undertaking and the data held by the leader. (Avram et al.2009).

As proposed by (Pandeg, 2005) speculation choices or examination has to do with a skilled designation of capital. It incorporates choice to submit the banks assets to the long haul resources. Such choices are of extensive significance to the banks since they will in general decide its esteem measure by affecting its developments, productivity and hazard.

Speculation choice of a bank is one which is evaluated to gather advantages to the bank over an extensive stretch of time and it can pass both substantial and elusive resources (doorman (S, The job of bookkeeping data in administrative basic leadership, 1995) field J. T. S 1995:170).

The speculation choices of a firm are regularly known as the capital planning choice might be characterized as the association's choice to put its advanced finances most productively in the long haul resources in foreseen of a normal stream of advantages over a progression of years.

Agreeing (Ekta , 2013) speculation choice in the long haul resource is those which influence the organizations activity past the year time frame. The company's venture choice would by and large incorporate extension picking up, change and substitutions of the long haul resources. Offers of division or business divestment are likewise examined as a venture choice. Exercises, for example, change in the methodologies of offers conveyance a commercial battle or an innovative work software engineers have long haul suggestions for the organizations outpourings and benefits, and thusly, they may likewise be assessed as venture choices. Note that interest in long haul resources perpetually expects assets to be tied up in the present resources.

Future advantages of speculation are hard to gauge and can't be anticipated with assurance. Hazard in speculation emerges in light of the dubious returns. Venture recommendations ought to thusly, be assessed as far as expected return and hazard. Adjacent to the choice to submit assets in new venture recommendations, capital planning likewise includes substitution choices

that are choice of recommitting subsidizes when a benefit turns out to be less gainful or non-productive. The right cut-off rate in ventures is the open door cost of capital which is the normal rate of return that a speculator could procure by putting resources into monetary resources of proportional hazard.

It is critical to feature that consumptions and benefits of a venture ought to be estimated in real money. In a speculation investigation, it is income which is basic, not the bookkeeping benefit. It might likewise be called attention to that speculation choices influence the bank's esteem. The bank's esteem will increment if speculations are productive and add to the investor's riches. These increments are reflected in the budget summary of the bank, which perpetually are utilized as apparatus for venture choices inferable from certain investigation inborn.

2.3 Conclusions

The few writing surveys have communicated the impact of income explanation on venture basic leadership in various settings. Also, their examinations identified with explicit populace to the explicit place and they gave distinctive outcomes on their investigations toward the impact of income explanation on company's speculation basic leadership. In any case, the specialist did not locate any past examinations and writing about the income articulation and speculation basic leadership that have directed in Somalia. What's more, it's valuable to examine and discover the significance of income proclamation and its impact with speculation basic leadership.

Furthermore, this examination pointed explores the impact of income explanation on venture basic leadership of Salaam Somali Bank with regards to Mogadishu Somalia.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In this part, we will talk about the accompanying areas: The examination configuration, look into populace, investigate instrument, and information gathering strategy, information investigation, moral thought, lastly, constraint of the investigation.

3.1 RESEARCH DESIGN

The analyst of this investigation utilized the enlightening exploration configuration to plan the marvel of factors. The investigation likewise will utilize a quantitative and cross sectional research by utilizing surveys. The distinct research configuration is to depict a correct profile of people, occasions, or circumstances, and quantitative research techniques endeavor to boost objectivity, unwavering quality of discoveries, and are regularly keen on expectation.

Essential to this methodology is the desire that a specialist will set aside his or her encounters, discernments, and inclinations to guarantee objectivity in the lead of the examination and the ends that are drawn. Key highlights of numerous quantitative investigations are the utilization of instruments, for example, tests or studies to gather information, and dependence on likelihood hypothesis to test factual theories that relate to examine inquiries of premium.

Quantitative techniques are regularly depicted as deductive in nature, as in inductions from trial of measurable theories lead to general surmisings about qualities of a populace.

Quantitative strategies are likewise habitually described as expecting that there is a solitary "truth" that exists, autonomous of human affectability (N. and Vicent, 2014)

(Trochim (Ensuring the Quality of the Findings of Qualitative Research: Looking at Trustworthiness Criteria) (Anney, 2013) characterized quantitative research plan as the quantitative research depends on the estimation of amount or sum.

Here a procedure is communicated or depicted regarding at least one amounts. The aftereffect of this exploration is basically a number or a lot of numbers.

The investigation will make a relationship about the impact of income proclamation on speculation basic leadership at Salam Somali Bank in Mogadishu Somalia.

3.2. RESEARCH POPULATION

The objective populace of the scientist will be budgetary chiefs and bookkeepers of the Salam Somali Bank Mogadishu-Somalia. The attributes of target populace in this investigation will be business Banks in any case; we are jolting in the some chosen firms that utilization bookkeeping bundles. Especially Salam Somali bank, the exploration populace constrained to the head office in Bakara advertise. Also we will pick firms which existing over three years so as to get additional data about their practices in bookkeeping.

Populace is characterized as the aggregate accumulation of highlights about which we wish to make inductions (Cooper and Schindler, 2003). Mugenda and Mugenda, (2003), clarify that the objective populace ought to have some recognizable qualities, to which the scientist expects to sum up the consequences of the investigation. The objective populace of this investigation involved 100 directors of Salam Somali Bank. These included eight sheets of executives, thirty senior supervisors, thirty-two center administration and eighty lower administrators based at Bank of Salam Somali head office, The examination liked to utilize directors, in light of the fact that are the ones who choices in business banks.

3.3. SAMPLE SIZE

An example size of 80 respondents was resolved from an aggregate populace of 100 people utilizing the equation by Yamane (1967). Stratified arbitrary examining strategy was utilized to choose the respondents. Stratified arbitrary inspecting system guarantees that diverse gatherings of a populace are satisfactorily spoken to in the example. Purposive examining

method was utilized in choosing the speculators in Bank of Salam. In this area of inspecting structure, the scientist for the most part procedures identified with examining methods for simple access to right information from respondents.

$$n = N / (1 + N(e^2))$$

$$= 100 / (1 + 100((0.05)^2)) = 100 / (1 + 100(0.0025))$$

$$= 100 / (1 + 0.25) = 100 / 1.25 = 80$$

Where n = the ideal example measure e = likelihood of blunder (i.e., the ideal exactness, e.g., 0.05 for 95% certainty level) N = the gauge of the populace estimate.

3.3.1. Sample Frame

Inspecting outline is a rundown of all the populace subjects that the specialist had focused amid the examination. Utilizing the Yamane's recipe, the extents of the example measure the registered example areas are appeared in Table 3.1. The example size of eight sheets of chiefs, sixteen senior directors, eighteen center administration and seventy lower administrators positioned at Bank of Kigali head office were utilized. The example outline for this examination is appeared in the Table 1 Table 54 Sampling Frame Area of Operation, Population, and Proportions.

Table: 3.1 Sampling Frame

Area of Operation	Population	Proportions
Board of directors	5	4
Senior Managers	20	16
Middle Managers	25	20
BK HQ Staff	50	40
Total	100	80

3.3.2. Sampling Procedure

This examination will utilize Probability Sampling. The examining strategy that utilized in this investigation is Systematic inspecting testing of likelihood examining procedure. Orderly inspecting is a strategy for examining which Ratio between test size and populace size to the scientist.

The reason this examination we will utilize this procedure is first the objective populace of this investigation is excessively substantial so it would be a ready to achieve all populace on the grounds that in Mogadishu are exist more administrations organizations. Second, this procedure spares time and cost, third utilizing accommodation testing, it empowers the analysts to choose whom to be incorporated into the example.

3.4. RESEARCH INSTRUMENT

The examination acknowledged the poll from (D. Hurtmans², 2009) iam, 2007). What's more, the scientist will make somewhat changes about the survey. Since, to alter a nearby setting.

The polls were dispersed through up close and personal gathering. Distinctive analysts utilize diverse information gathering instruments. The most well-known are meetings and overview surveys. Polls can be administrating face to face, through mail or over the web (Yang and Miller, 2007). Poll look into instrument is a gadget that was utilized to assess the event in inquiries.

The polls are the most valuable regarding filling the need of this examination as they empower the scientist to get explicit data from the respondents. Analyst has chosen survey as it has the accompanying points of interest: first, it gives productive approach to gathering reactions from a vast example estimate. Second, it requires less aptitudes and delicately than semi-structures and

inside and out meetings (sounders et al., 2009). Concerning the poll improvement, the instrument is basic so as to gauge the tried variable that is lined up with the goal of the examination.

3.4.1 Validity and Reliability of the Instrument

The most essential issue in the exploration is to guarantee unwavering quality and legitimacy. As per Trochim and Donnelly (2006) "legitimacy alludes to the best gauge of reality of any suggestion or end or deduction portrayed in the examination. Dependability alludes to the estimation of the nature of the information gathered in any exploration. Along these lines, to expand dependability and legitimacy, the investigation was adjusted poll by making marginally change. To set up dependability and legitimacy, the instrument will be given to three specialists to assess the importance of every thing in the instruments to the goal.

The improvement of a substance solid and legitimate instrument is ordinarily accomplished by a balanced investigation of the instrument. In particular, scientist audits the majority of the things for unwavering quality, lucidity and breadth and go to some dimension of assentation with respect to which things ought to be incorporated into the last instrument. The legitimacy of an examination is eventually judged.

Along these lines, the creator must give an unmistakable and exact portrayal of analysis was done, and the reason for the explicit test systems picked. It must be composed with enough data so the group of onlookers can pass judgment on whether the outcomes and ends are substantial. In this article portray to underscore that frustrating factors can never be completely controlled. Moreover, the impact of these factors may not be completely valued by those directing the exploration.

Outer legitimacy is basically dictated by how subjects are chosen to take part in an investigation and by the utilization of randomization systems that limit potential predisposition in how subjects are relegated to treatment gatherings. Legitimacy alludes to the validity of exploratory

outcomes and how much the outcomes can be connected to the all inclusive community of intrigue.

Inside legitimacy alludes to the validity of an investigation and is controlled by how much ends drawn from a test effectively portray what really happened amid the examination. Outside legitimacy alludes to whether (and to what degree) the aftereffects of an investigation can be summed up to a bigger populace.

Lamentably, all natural frameworks are significantly intricate, so basic, unambiguous, coordinate connections between items can be hard to find out. The inner legitimacy of an investigation is made a decision by how much its results can be ascribed to control of autonomous factors and not to the impacts of bewildering factors.

Hence, the investigation convention must be intended to control (e.g., to keep consistent) however many incidental factors as could be expected under the circumstances with the goal that any potential circumstances and logical results connection between two items can be judged precisely.

3.5. DATA GATHERING PROCEDURE

The initial step when gathering information was asked for from understudy issues and enlistment office a letter accommodating that was led scholastic research. So as to gather information from respondents the scientists were utilized a poll adjusted from earlier writing.

"The poll enables respondents to counsel with or to utilize assets while reacting" (Nolinske 2008). The poll was contributed and gathered from respondents by turn in request to manage the respondents, on the off chance that they require some elucidation about the survey.

3.6. DATA ANALYSIS

The last step in the methods section is to describe how the data will be presented in the results section (e.g., mean vs. median), which statistical tests was used for the infer-

In this study descriptive statistics will use and also we shall use statistical package SPSS to analyze data. "Descriptive statistics is the use of measurement of central tendency such as means, medium, and mode and measures the dispersion such as range, quartile deviation,

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standard deviation and variance to describe a group of subject” (Oslo and Omen 2008). Analyses were carried out with the aid of Package for Social Sciences, (SPSS Version 16.0)

Table: 3.2 respondent & interpretations

Range	Respondent mode	Interpretation
4.24-5.04	Strongly Agree	Excellent
3.43– 4.23	Agree	Very Good
2.62– 3.42	Natural	Good
1.81 – 2.61	Disagree	Fair
1.00-1.80	Strongly Disagree	Poor

3.7. ETHICAL CONSIDERATIONS

When working with human subjects, there must be affirmations that the medicinal focuses Institutional audit board overseeing research on living issue has confirmed that the investigation Convention holds fast to moral standards.

Without such endorsement, no exploration task can be directed nor would it be able to be distributed in a trustworthy, peer survey science diary.

Research morals is identified with "inquiries concerning how we define and elucidate our exploration point, structure our examination and get entrance, gather information, process and store our information, investigate information and will review our examination discoveries in a good and capable way"

(Saunders, et al, 2009). This examination will be directed morally; the analysts will ask for the respondent to fill in as deliberate and the specialists will help the respondent as morally.

3.8 LIMITATIONS OF THE STUDY

Confinements are the limits that limit the exploration scope and may cause trouble in the accomplishment of the examination result when we are presently inquire about face numerous

issues. The quantitative technique for poll is restricted to investigating the job of the income explanation on speculation basic leadership in Salam Somali Bank in Mogadishu Somalia.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

4.0 INTRODUCTION

This part displays information gathered, investigation and understanding from the field. The information was gathered utilizing instruments like survey, which was featured under the scientist's approach. In this part, more accentuation has been put on the understanding of crude information in connection to the set targets and the examination question as set for the investigation.

4.1 Demographic data

This area presents data assembled utilizing segment An of the survey.

4.2 Profile of the respondents

The scientist arranged surveys and meeting guide fitting for this examination. The polls were controlled utilizing both individual organizations with on the spot accumulation where the analyst conveyed the survey face to face and trusted that the respondents will fill them at that point returned with them. Individual organization with gathering after time was utilized to give the respondents adequate time to answer the survey and counsel different sources asset material and different reports.

The analyst dispersed 80 polls to Staff individuals and representative of Salam Somali Bank Mogadishu Somalia. Every one of the surveys were finished and returned back. This implies

surveys which have been finished spoken to a decent reaction rate which was viewed as test for the targets of the investigation. The scientist later purposively tested and met the whole network pioneer including the staff of bank.

4.3 Gender of respondents

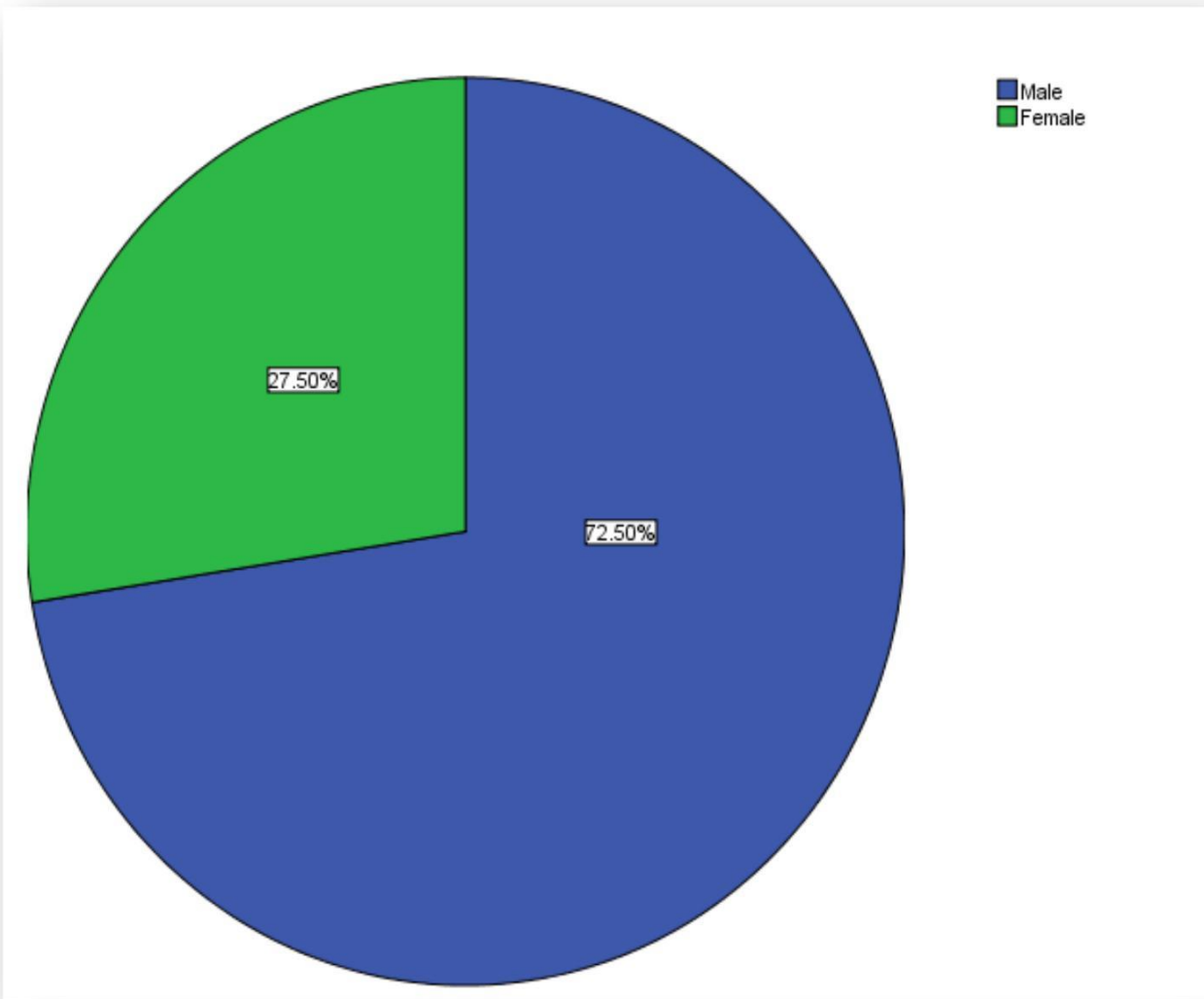
Table 4.1: Gender of respondents

GENDER	FREQUENCY	PERCENTAGE
MALE	58	73%
FEMALE	22	27%
TOTAL	80	100%

Source: Primary data 2018

It is observed from table 4.1 and figure 4.1 that the majority of the respondents were males since they were 73% and their female counterparts were 27% of the respondents and 22 in number out of 80 respondents, Whereas the Somalia more highlighting on gender balance and equity in all Banks and country commission was found to have less women than men.

Figure 4.1: Gender of respondents



Source: Primary Data 2018

During the interview with the heads of Salam Somali Bank, it was verified that the girl is not deserted in some departments. But they are apparent to be weak and less strength to handle heavy engineering chaos. Sometimes the community played a positive role towards encouraging the women or girl towards taking medicine and enforcement courses. If majority of the women

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or the girl take up medicine courses they can improve the productivity of skills and service delivery.

4.4 Analysis based on respondent's age

Table 4.2: Age of respondents

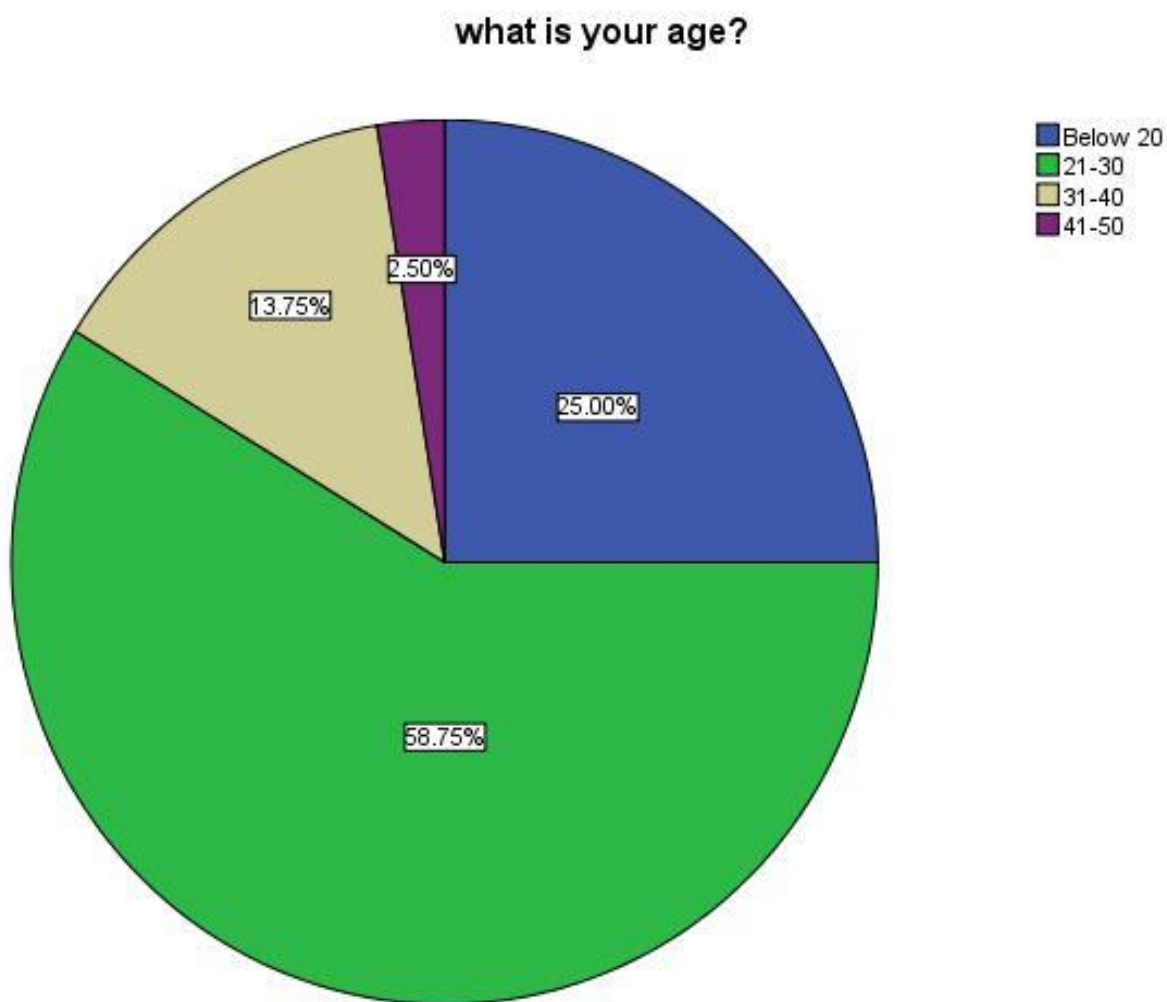
Characteristics	Frequency	Percent
Below 20	20	25%
21-30	47	59%
31-40	11	14%
41-50	2	2%
Total	80	100%

Source: Primary data, 2018

Referring to the table 4.2, the average age for this data set is 39 years old. Among to 80 respondents no one of the respondents omitted his/her age in the questionnaire. This table depict 25% are less than 20 years old, 59% are among 21 and 30 years old 14% are between 31 and 40 years old, 2% are between 41 and 50 years old These ages represent a people who can actively related cash flow statement and investment decision making in Salam Somali Bank by the modal age group of between 21 and 30 years.

During the interviews with the Salam Somali bank, it was realized the Bank paid strict attention to improve cash flow statement and investment decision making, therefore referring to this table 4.2 and the interviews the most respondents were the age of an above 21 years and below 70, because most bank officers are always old people and businessmen were above 35 years.

Figure 4.2: Age of respondents



Source: Primary Data 2018

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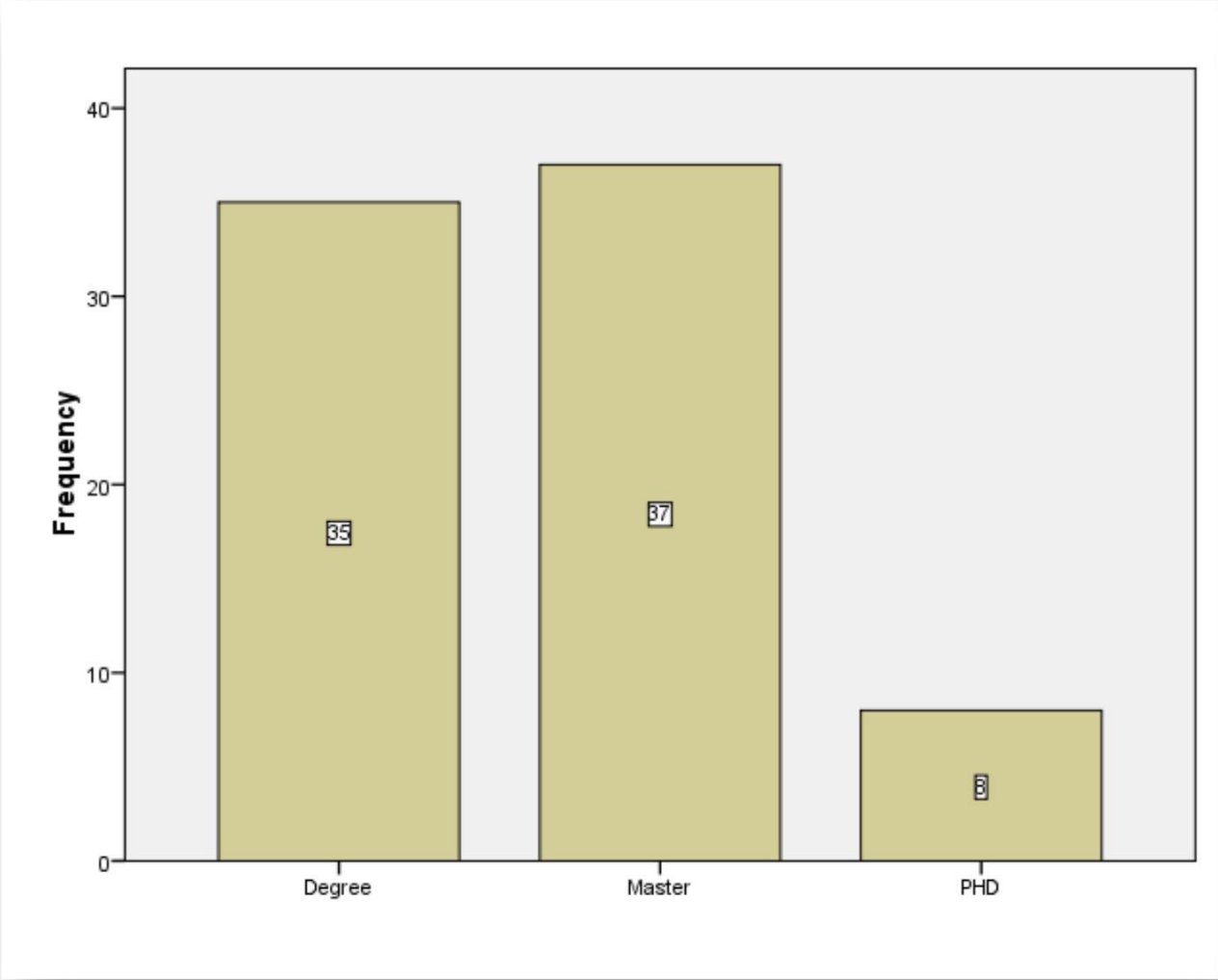
4.5 Education level of the respondents

TABLE 4.3: Educational level of the respondents

EDUCATIONAL LEVEL	FREQUENCY	PERCENTAGE
Bachelor's degree	35	44%
Master degree	37	46%
PHD	8	10%
TOTAL	80	100%

It is observed from table 4.3 that 10% of the respondents had PHD, 46% of the respondents were master's degree holders, 44% of the respondents were bachelor's degree holders.

Figure 4.5: Educational level of the respondents



Source: Primary Data 2018

4.6 Marital status of the respondents

It is observed in table 4.4 that 39% of the respondents are married while 61% are single of the total respondents in the sample. That shows the respondents are young age because 61% of respondents already not got married or single.

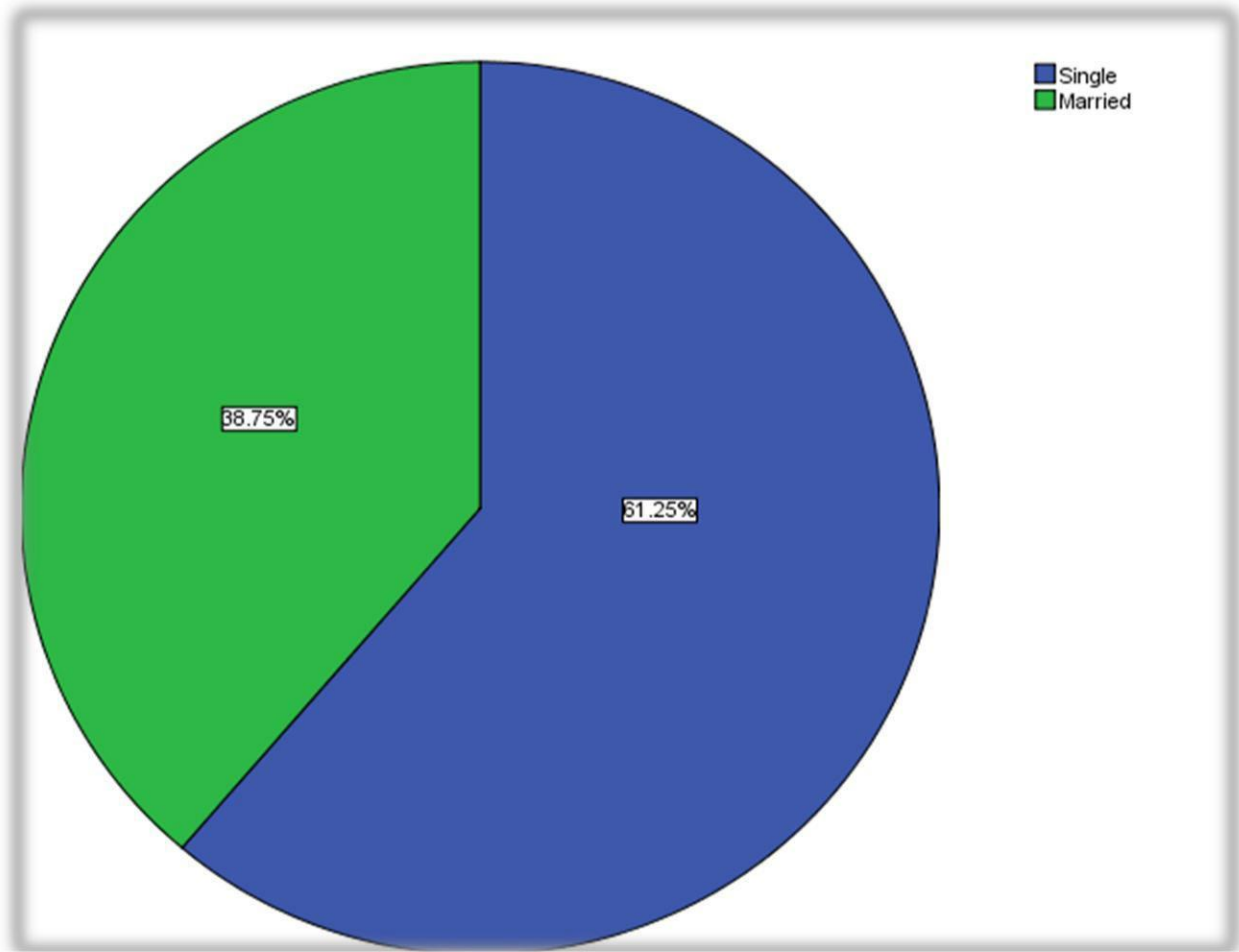
Table 4.4: Marital status of the respondents

MARITAL STATUS	FREQUENCY	PERCENTAGE
SINGLE	49	61%
MARRIED	31	39%
TOTAL	80	100%

Source: Primary data 2018

The respondents' confirmed. There are no recent reliable estimates of overall cash flow statement and investment but some comparative data from other states and from earlier punt land studies are useful for individual species and sex and age classes.

Figure 4.4: Marital status of the respondents



Source: Primary Data 2018

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4.7 SECTION B: THE ROLE OF CASH FLOW STATEMENT

TABLE 4.5.1 cash flow statement it will benefit to investors and other users of financial statements.

Cash flow statement it will benefit to investors and Other users of financial statements.	FREQUENCE	PERCENTAGE
STRONG AGREE	50	63%
AGREE	23	29%
STRONG DISAGREE	2	2%
DISAGREE	4	5%
UNDECIDED	1	1%
TOTAL	80	100%

Source: Primary Data 2018

The mode question 4.5.1 is 50 which is 63% strong agree.

In the above table the researcher present a question about the role of cash flow statement 63% of the respondents are strongly agree and accepted the cash flow statement it will benefit to investors and other users of financial statements, where 29% agreed cash flow statement is Benefit to investors and other users of financial statements, on the other hand, 2% strongly disagree and 5% of the respondents disagree. (See figure 4.5.1)

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TABLE 4.5.2 the benefit of positive effects of cash follow statement are more than negative effects.

The benefit of positive effects of cash follow statement are more than negative effects	Frequency	Percentage
STRONG AGREE	31	39%
AGREE	30	38%
UNDECIDED	3	3%
DISAGREE	15	19%
STRONG DISAGREE	1	1%
TOTAL	80	100%

Source: Primary Data 2018

The mode question 4.5.2 is 31 which is 39% strong agree.

A total of 15 employees Disagree respond which was 19%, of the whole sampled responses returned and filled successfully, 30 were Agreed which was 38%, while 1 of responses 1% are totally strongly disagreed and 31 employee strong agree which was 39%. (See figure 4.5.2)

Table 4.5.3 it describes certain attributes of a bank that is considered to fairly represent its financial activities

It describes certain attributes of a bank that is considered to fairly Represent its financial activities.	FREQUENCY	PERCENTAGE
STRONG AGREE	26	33%
AGREE	28	34%
UNDECIDED	10	13%
DISAGREE	15	19%
STRONG DISAGREE	1	1%
Total	80	100%

Source: primary data 2018

The mode question 4.5.3 is 28 which is 34% agree.

A total of 28 employees Agree respond which was 34%, of the whole sampled responses returned and filled successfully, 15 were disagreed which was 19%, 10 were undecided which was 13%, 26 were strong agree which was 33% while 1 of responses 1% are totally strongly disagreed. , (See figure 4.5.3)

TABLE 4.5.4 it is a form easy to understand for managerial use for taking prompt and informed decision making related to investment.

it is a form easy to understand for managerial use for taking prompt and informed decision making related to investment	Frequency	Percentage
STRONG AGREE	30	37%
AGREE	29	36%
UNDECIDED	7	9%
DISAGREE	10	13%
STRONG DISAGREE	4	5%
Total	80	100%

Source: primary data 2018

The mode question 4.5.4 is 30 which is 37% strongly agree.

A total of 30 employee Strongly agree which was 37%, of the whole sampled responses returned and filled successfully, where 29 agreed which was 36% in the other hand 7 of employee undecided which was 9% where 10 disagree which was 13% and 4 employee strong disagree which was 5%

TABLE 4.5.5 cash follow statement examines past and current financial data for the purpose of evaluating performance and estimating future risks.

cash follow statement examines past and current financial data for the purpose of Evaluating performance and estimating future risks.	Frequency	Percentage
STRONG AGREE	25	31%
AGREE	23	29%
UNDECIDED	18	22%
DISAGREE	8	10%
STRONG DISAGREE	6	8%
Total	80	100%

Source: Primary data 2018

The mode question 4.5.5 is 25 which is 31% strong agree.

The results in the table above shows 31% are strong agree cash follow statement examine past and current financial data , 29% are agree and 22% undecided and 10% are disagree and 8% are strong disagree, that greater fraction of the respondents accept and admit that there is high level of evaluating performance and estimating future risk..

Table 4.5.6; cash follow statement participates to increase the quality of the information provided.

cash follow statement participates to increase the Quality of the information provided.	FREQUENCY	PERCENTAGE
STRONG AGREE	33	41%
AGREE	29	36%
UNDECIDED	8	10%
DISAGREE	8	10%
STRONG DISAGREE	2	3%
Total	80	100%

Source: Primary data 2018

The mode question 4.5.6 is 33 which is 41% strong agree.

The results in the figure and table show that most respondents answer admit more than 41% are strong agree of respondents in cash follow statement participate to increase the quality of the information provided and 29 where agree which was 36%, 8 were undecided which was 10% and 8 where disagree which was also 10% and 2 are strong disagree which was 3%.

TABLE 4.5.7 it helps the management to make decisions that are necessary for the continuity of the business

it helps the management to make decisions that are necessary for the continuity of the Business	FREQUENCY	PERCENTAGE
STRONGLY AGREE	29	36%
AGREE	23	29%
UNDECIDED	8	10%
DISAGREE	11	13%
STRONG DISAGREE	9	12%
TOTAL	80	100%

Source: primary data 2018

The mode question 4.5.7 is 29 which is 36% strong agree.

A total of 29 employees are Strongly agree respond which was 36%, of the whole sampled responses returned and 23 agree which was 29% , while 8 strongly disagree which was 10% and 11 of employee disagree which was 13% and 9 are strong disagree which was 12%.

4.8 SECTION C: INVESTMENT DECISION MAKING

Table 4.6.1 Future benefits of investment are difficult to measure and cannot be predicted with certainty.

Future benefits of investment are difficult to measure and cannot be predicted with Certainty.	FREQUENCY	PERCENTAGE
STRONG AGREE	33	41%
AGREE	27	34%
UNDECIDED	5	6%
DISAGREE	10	13%
STRONG DISAGREE	5	6%
TOTAL	80	100%

Source: primary data 2018

The mode question 4.6.1 is 33 which is 41% strong agree

A total of 33 employees strong agree which was 41%, of the whole sampled responses returned and filled successful saying yes, while 27 believed agree which was 34% and 5 saying undecided which was 6%, 10 saying disagree which was 13% and 5 believed strong disagree was 6%.

Table 4.6.2 Risk in investment arises because of the uncertain returns.

Risk in investment arises Because of the uncertain returns.	FREQUENCY	PERCENTAGE
STRONG AGREE	29	36%
AGREE	28	35%
UNDECIDED	11	14%
DISAGREE	7	9%
STRONG DISAGREE	5	6%
TOTAL	80	100%

Source: primary data 2018

The mode question 4.6.2 is 29 which is 36% strongly agree.

A total of 29 employees, Strong Agree respond which was 36%, of the whole sampled responses returned and filled successfully, while 28 Agree which was 35%, 11 responded undecided which was 14% and 7 of respondent saying Disagree which was 9% and 5 employees Strong Disagree which was 6%.

Table 4.6.3; cash follow statement participate reduce the cost of investments.

Cash follow statement participate reduce The cost of investments.	FREQUENCY	PERCENTAGE
STRONG AGREE	32	40%
AGREE	25	31%
UNDECIDED	15	19%
DISAGREE	5	6%
STRONG DISAGREE	3	4%
Total	80	100%

Source: Primary data 2018

The mode question 4.6.3 is 32 which is 40% strong agree.

The results in the figure and table show that most respondents answer admit more than 40% are strong agree of respondents in cash follow statement participate to Reduce the cost of investment and where 25 agree which was 31% and 3 respondents are strongly disagree which was 4%, 15 where saying undecided which was 19% and 5 disagree which was 6% In total research .respondents.

Table 4.6.4 Investment decisions making or analysis has to do with an efficient allocation of capital

Investment decisions making or analysis has to do with an efficient allocation of capital	FREQUENCY	PERCENTAGE
SRTONGLY AGREE	26	33%
AGREE	24	30%
Undecided	12	15%
DISAGREE	16	20%
STRONG DISAGREE	2	2%
TOTAL	80	100%

Source: primary data 2018

The mode question 4.6.4 is 26 which is 33% Strong agree.

A total of 26 employees Strong agree respond which was 33%, of the whole sampled responses returned and filled successfully, 24 were agreed which was 30%, while 16 of responses 20% are totally disagreed and 2 employee Strong disagree which was 2%, 12 responded undecided which was 15% out of respondents.

Table 4.6.5 the benefit of positive effects of investment decision making are more than negative effects.

The benefit of positive effects of investment decision making are More than negative effects.	FREQUENCY	PERCENTAGE
STRONGLY AGREE	24	30%
AGREE	26	33%
UNDECIDED	7	8%
DISAGREE	16	20%
STRONG DISAGREE	7	9%
Total	80	100%

Source: Primary data 2018

The mode question 4.3.5 is 26 which is 33% agree.

A total of 24 employees strongly agree which was 30%, of the whole sampled responses returned and filled successfully, where 26 agreed which was 33% and 16 respondents are disagree which was 20%, where 7 Strong disagree which was 9% and 7 responded undecided which was 8% total of respondents.

TABLE 4.6.6 Decision-making is the key to financial managers’ success and is very crucial for any banks.

Decision-making is the key to financial managers’ success And is very crucial for any banks.	FREQUENCY	PERCENTAGE
STRONG AGREE	24	30%
AGREE	26	33%
UNDECIDED	7	9%
DISAGREE	18	22%
STRONG DISAGREE	5	6%
TOTAL	80	100%

Source: Primary data 2018

The mode question 4.6.6 is 26 which is 33% agree

A total of 26 employees agree which was 33%, of the whole sampled responses returned and filled successfully, where 24 Strong agreed which was 30% and 18 respondents are disagree which was 22%, where 5 Strong disagree which was 6% and 7 undecided which was 9% about total respondents.

TABLE 4.6.7 Cash follow statement influence the investors to buy shares from the company.

Cash follow statement influence the investors to buy shares from the company.	FREQUENCY	PERCENTAGE
STRONG AGREE	25	31%
AGREE	30	37%
UNDECIDED	7	9%
DISAGREE	10	13%
STRONG DISAGREE	8	10%
TOTAL	80	100%

Source: Primary data 2018

The mode question 4.6.7 is 30 which are 37% Agree.

A total of 25 employees Strong agree respond which was 31%, of the whole sampled responses returned and filled successfully, 10 were Disagreed which was 13%, while 8 of responses 10% are totally strongly disagreed and 7 employee are undecided which was 9% Out of total respondents.

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0. INTRODUCTION

This part introduces the synopsis of discoveries, end and suggestions of the outcomes from section four as identified with the perspectives of researchers in the writing audit and the foundation of the investigation. The outline and exchange given in this section, go for noting the examination goals. The end came to depends on the talk of the discoveries. The proposals are produced using the discoveries and master assessment from the writing survey. The territories of further research have been investigated radiating from the inquiries in the whole examination.

5.1. MAJOR FINDINGS

The significant discoveries of the examination was translated and exhibited in connection to the goals of the investigation. Amid the investigation of information displayed in section four, the scientist discovered that, this examination set out to consider the impact of income explanation on speculation basic leadership (A contextual analysis at Salam Somali Bank Mogadishu Somalia).

At last, the fundamental point of this examination is to decide the impact of income proclamation on speculation basic leadership. This is on the grounds that forthcoming speculator's uses income articulation of worries as a noteworthy parameter for evaluating the productivity and the danger of putting resources into such endeavors and the point of income explanation is to give money related data around an element to invested individuals.

The data can end up important through money related translations and choices uncover the substance of income articulation as the real caretaker of budgetary data essential for any speculation choice. Venture are not made on a vacuum subsequently, there are bedrocks on which they will stand.

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The discoveries uncovered that income proclamation divulgence, corporate extortion and outrages, and income articulation straightforwardness have noteworthy impact on powerful administration basic leadership Related to interest in Salam Somali Bank.

5.2. RECOMMENDATIONS

The specialist finishes up by saying that income explanation assumes a fundamental job in speculation basic leadership; for example, where organizations contribute billions of Salam Somali Bank. By their inclination, these speculation choices can possibly influence the bank's fortunes more than quite a long while. For a decent choice can support winning strongly and significantly increment the estimation of the bank. This money related data can be exposed to different examination and investigation relying upon the financial specialists previously settling on their speculation choices. This is immediately refreshing in the saving money area as one of the significant criteria's the interest from their borrowers at the income articulation of the worry for different years. This is exposed to their examination and elucidations before they can proceed in the credit transaction concerning any organization. Thus it is opined that organizations should attempt however much as could be expected to set income explanation that mirrors a genuine and reasonable perspective of what is propose to speak to as a method for valuing their organizations the more.

The point by point investigation of the impact of income proclamation on successful speculation basic leadership in Salam Somali Bank and dissecting the review gathered information utilizing spellbinding, connection coefficient and examination of fluctuation (ANOVA) procedures uncovered that few considered elements of income explanation structure in this examination like, working exercises, contributing exercises and financing exercises, and income articulation straightforwardness have critical effect on the executives venture returns as an intermediary of compelling administrative basic leadership process.

Moreover, a sound, viable and productive income explanation framework will in general enhance execution in business tasks. In a similar view, a viably connected arranging and basic leadership

framework adds to the effectiveness of administrative staff. These limit the issues of bankruptcy and liquidity and accordingly prohibiting bungle of hierarchical assets.

In the last investigation, plainly a more profound comprehension of the significance of income explanation can prompt improvement of hierarchical development and accomplishment of corporate destinations. Along these lines, money related divulgence advances straightforwardness and responsibility of administrations as supervisors of investors. This likewise encourages the working of open certainty on the Banks concerned.

5.3. CONCLUSIONS

Having experienced this examination the scientist suggests the accompanying as a method for acquiring that income proclamation assumes a fundamental job in speculation choices making. A few proposals are planned based on the discoveries got.

1. Every Bank ought to guarantee that all material certainty is reflected in their income explanation.
2. These ought to be speedy arrangement of the monetary report of money pursue explanation toward the finish of each budgetary year.
3. Investment choice ought not be on vacancy rather, the income proclamation ought to be utilized as establishment.
4. Every bank ought to hold fast to the interest of uncovering their income proclamation to administrative review as a method for affirming their substance
5. No speculation choices on an organization ought to be taken without the thought of a bank's income articulation.
6. There is the need to keep up satisfactory bookkeeping records;

7. All the revealing directions and benchmarks in the readiness of budget report must be gone along.
8. The bookkeeping arrangement must be reliable (that is, following the consistency idea.
9. Qualified and able experts ought to be utilized for income articulation arrangement and introduction.
10. Management ought to make favorable workplace and motivations that can urge laborers to put in their best.

5.4. AREAS OF FURTHER RESEARCH

The analyst accepts this open door to ask for different scientists to set out taking a shot at the accompanying points;

1. The Effect of Cash Flow Statement on Companies Profitability (A Study of Some Selected Banks in Nigeria)
2. Role of Financial Statement and Investment Decision Making.
3. The Effect of Cash Flow Statement on Companies Profitability (A Study of Some Selected Banks in Nigeria)
4. Cash Flow Statement: Comparative Analysis of Financing, Operating and Investing Activities.

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Exercises

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Activities <https://www.investopedia.com/terms/c/cashflowfromfinancing.asp#ixzz5XVcu6OnC>

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