Financial Statements

A Step-by-Step Guide

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USE THIS FOR

Trace one business event through profit, cash, and the balance sheet.

BEFORE THE ROUND

- [ ] Separate profit from cash
- [ ] Track the period
- [ ] Check the balance sheet
- [ ] Name the cash driver

CORE MOVES

- The income statement measures performance over a period.
- The balance sheet records what the company owns and owes at one date.
- The cash flow statement explains the movement in cash.
- Working capital can turn reported profit into weak cash flow.

QUICK DRILL

Revenue is $100M, COGS is $60M, operating costs are $20M, and D&A is $5M. EBITDA is $20M. EBIT is $15M.

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YOUR NOTES

Apply one idea to your submission. Write the claim and the number that supports it. Then record the risk.