FINANCIAL LEARNING CAFE

Business Academy • B02

Lesson 6 Resource

Read basic reports and prepare questions

Financial calendar

Premium lesson companion

Teaching brief • applied vocabulary • guided workbook • knowledge check • answer guide

Name ______________________________________

Date ______________________________________

Read basic reports and prepare questions

The income statement, balance sheet, and cash-flow statement answer different questions. Use reports to spot patterns and prepare-not to make unsupported conclusions.

The deeper idea

Statements answer different questions about performance, position, and cash movement. A useful review explains material changes and connects them to an owner and action.

Learning objectives

- Explain income statement in the context of read basic reports and prepare questions.
- Distinguish balance sheet from an assumption or promotional summary.
- Show how cash-flow statement changes cost, timing, control, responsibility, or risk.
- Complete the financial calendar using traceable source information.

Vocabulary in action

income statement	Locate it in source material and state what it measures or governs.
balance sheet	Use it to make the comparison concrete instead of relying on a label.
cash-flow statement	Name who carries responsibility, what triggers it, and which control makes it visible.

FIVE-STEP DECISION METHOD

Move from information to a responsible next step.

1. Define the exact question

State the purpose, deadline, and consequence of delay. Connect the question directly to read basic reports and prepare questions.

2. Gather governing evidence

Collect current agreements, statements, official disclosures, operating records, or program instructions. Record the source and date.

3. Apply the vocabulary

Locate income statement, balance sheet, and cash-flow statement in the real document or process. Translate each into a dollar, date, action, control, or responsibility.

4. Test a difficult case

Change one important assumption - timing, volume, cost, income, access, or support - and explain whether the plan still works.

5. Record the decision

Choose proceed, revise, compare, seek qualified review, or stop. Name the next action, its owner, and the review date.

Applied scenario

A learner must make this decision this month. The learner gathers governing records, locates income statement, balance sheet, and cash-flow statement, and completes the assignment. The decision pauses if the difficult-case test exposes an obligation or operating risk that cannot be managed.

Financial calendar

Review sample reports and write five questions for a bookkeeper, accountant, or advisor.

Purpose: What exact decision does read basic reports and prepare questions support?

Evidence: Which source documents prove the facts? Include dates.

Terms: Where do income statement, balance sheet, and cash-flow statement appear, and what does each change?

Stress-test and decision record

Stress test: Which assumption is most fragile, and what happens if it fails?

Decision record: What is the next action, who owns it, and when will it be reviewed?

My recorded status

☐ Proceed ☐ Revise ☐ Compare ☐ Seek qualified review ☐ Stop

KNOWLEDGE CHECK

Confirm your understanding.

1. State the central teaching in your own words.

2. How do income statement and balance sheet work together?

3. What evidence is strong enough to use?

4. What would make the plan pause?

5. What belongs in the finished assignment?

ANSWER GUIDE

Compare reasoning, not just wording.

1. State the central teaching in your own words.

Statements answer different questions about performance, position, and cash movement. A useful review explains material changes and connects them to an owner and action.

2. How do income statement and balance sheet work together?

Define each, locate both in source material, and explain their combined effect on the decision.

3. What evidence is strong enough to use?

Current, relevant, traceable information from an agreement, statement, official source, operating record, or qualified professional.

4. What would make the plan pause?

A missing governing fact, unsupported claim, unmanageable stress case, or inability to explain the responsibility attached to cash-flow statement.

5. What belongs in the finished assignment?

Purpose, sources, term definitions, comparison or calculation, difficult-case result, unanswered questions, responsible owner, and review date.

Education-only boundary

This resource provides general education. It does not submit applications, negotiate with providers, handle customer funds, promise outcomes, or replace individualized guidance from an appropriately qualified professional.