

Financial Statements and Cash Flow Module Group Exercise

1. This assignment asks you to create financial statements for a fictional company. I've provided a template for you to use which includes the beginning of year Balance sheet. For simplicity I recommend creating a "one-product" company. As a group you will create a company and come up with a minimum of 8 transactions that occurred throughout 2020 with at least one transaction involving equity holders and one transaction involving debt holders. You must also calculate i) Cash flow from assets, ii) Cash flow to creditors and iii) Cash flow to stockholders. You are not limited to the accounts listed and may choose to add accounts to fit the transactions you choose. You will have 5-8 minutes to present. Have one group member submit your completed Excel file and slides for the presentation through Brightspace before class.

Your presentation should at a minimum discuss the following:

- (a) A detailed description of at least 2 transactions and how they impacted each financial statement.
- (b) An overview of your cash flow from assets calculation. Including a explanation of the effects of change in NWC on cash in your example.
- (c) A reflection of the difficulties in completing this assignment and key takeaways.