

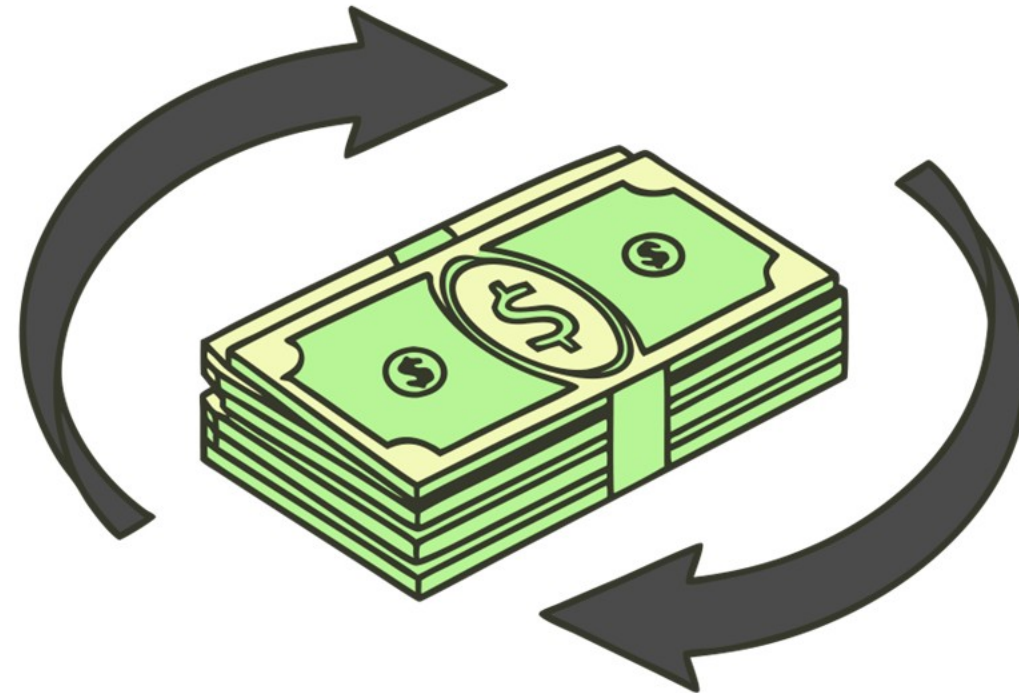
Cash Flow Statement

A DIGITAL DISCOVERY LESSON

**A Comprehensive
Analysis of the
Cash Flow Statement**

**Editable
Interactive Slides
Critical Thinking**

**A Google Slides file
that easily converts
to PowerPoint**



**NO PREP!
SAVES YOU TIME!**

BUSINESS EDUCATION WITH *Denise Leigh*

NO PREP Intro Digital Activity

What's included?

- ✓ **16-slides** Google Slides lesson (easily converts to PowerPoint)
- ✓ **Teacher's Key**
- ✓ **Cash Flow Statement Analysis Activities**
- ✓ **Critical-Thinking Discussion Prompts**
- ✓ **Financial Health & Business Decision-Making**

Cash Flow Statement

Can a Business Run Out of Money?

What is a Cash Flow Statement?

Money In vs. Money Out

What Is a Cash Flow Statement?

A cash flow statement shows how money moves in and out of a business over time.

Key Tracking

- Cash inflows (Money in)
- Cash outflows (Money out)
- Operational liquidity check

Sneaker Business Example

Operations include:
Receiving customer payments
Paying for inventory, rent, & payroll



Critical Thinking: Why can a business make sales but still run out of money?

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Cash Inflows vs. Cash Outflows

Cash Inflows (Money In)

- Customer payments
- Loans
- Selling equipment
- Investment money

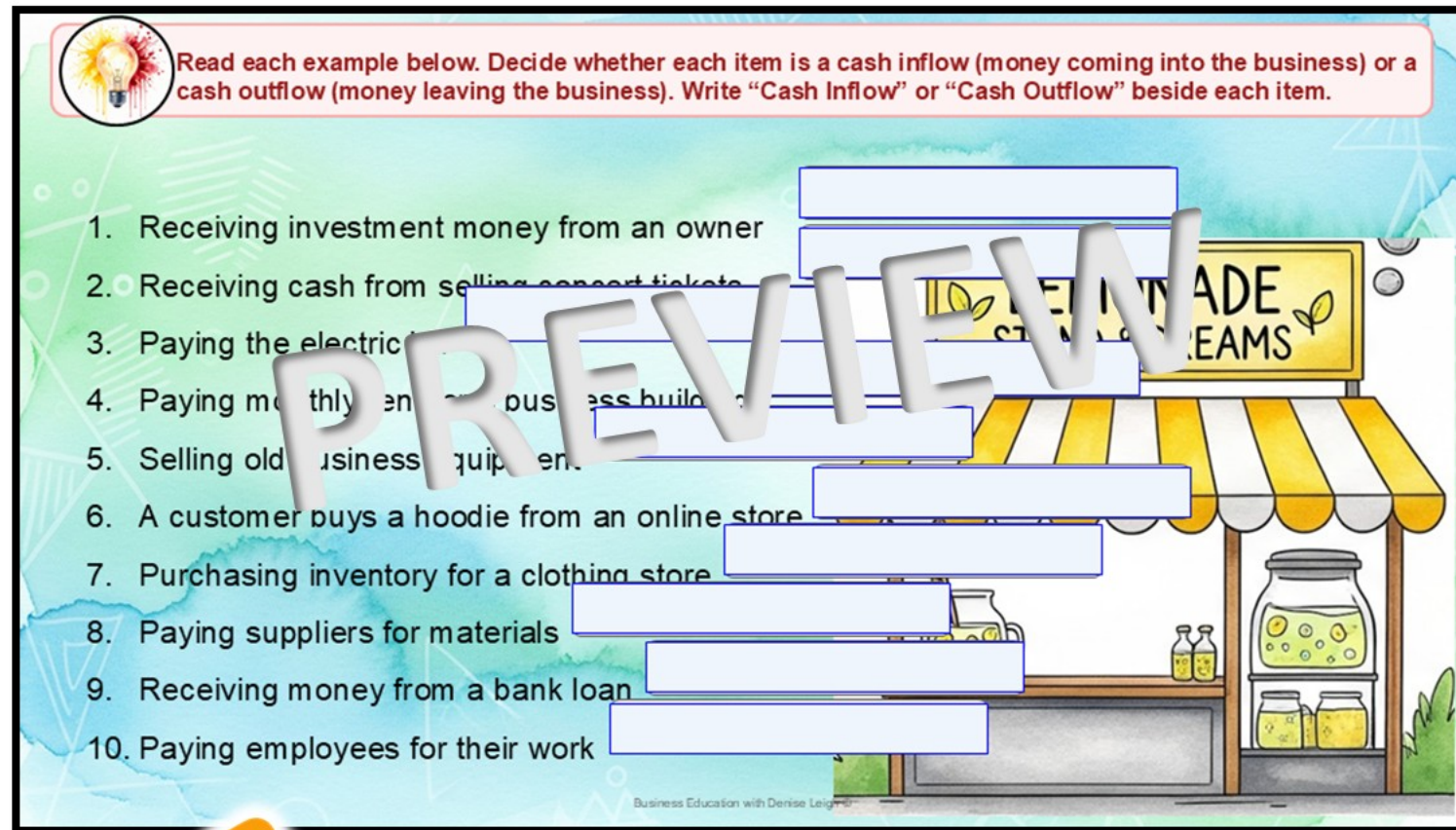
Cash Outflows (Money Out)

- Payroll
- Rent
- Supplies
- Loan payments
- Taxes



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Interactive Slides



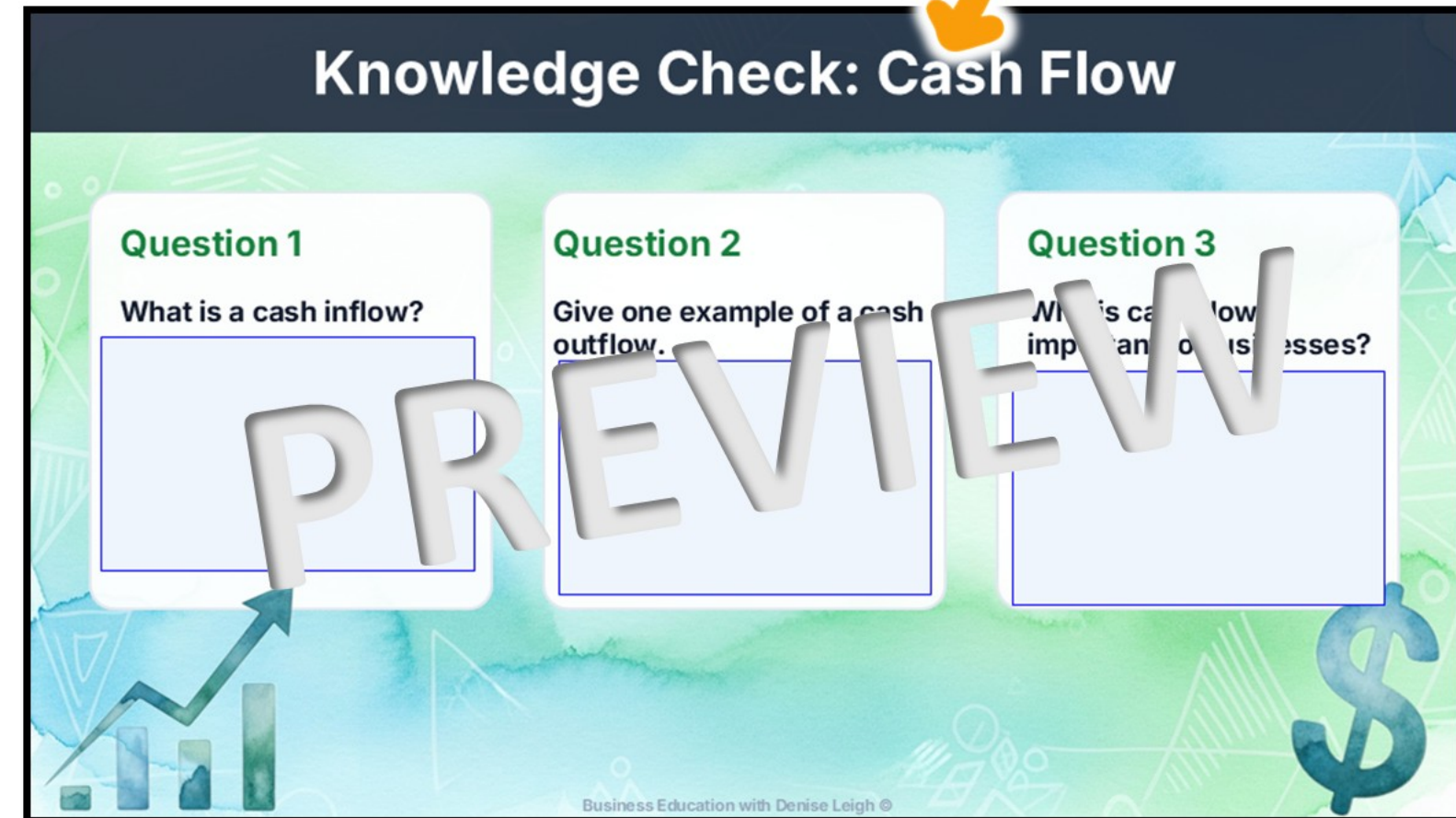
Read each example below. Decide whether each item is a cash inflow (money coming into the business) or a cash outflow (money leaving the business). Write "Cash Inflow" or "Cash Outflow" beside each item.

1. Receiving investment money from an owner
2. Receiving cash from selling concert tickets
3. Paying the electric bill
4. Paying monthly rent on business building
5. Selling old business equipment
6. A customer buys a hoodie from an online store
7. Purchasing inventory for a clothing store
8. Paying suppliers for materials
9. Receiving money from a bank loan
10. Paying employees for their work

Business Education with Denise Leigh ©

**Is Each Scenario
Cash Inflow or
Cash Outflow?**

Knowledge Check



Knowledge Check: Cash Flow

Question 1

What is a cash inflow?

Question 2

Give one example of a cash outflow.

Question 3

What is cash flow important for businesses?

Business Education with Denise Leigh ©

Cash Flow Statement Analysis

Lemonade Stand Cash Flow Statement

LEMONADE STAND
CASH FLOW STATEMENT
May 1 – May 31, 2026

CASH INFLOWS	AMOUNT
Cash from Lemonade Sales	\$125.00
Cash from Tips	\$20.00
Cash from Donations	\$5.00
TOTAL CASH INFLOWS	\$150.00

CASH OUTFLOWS	AMOUNT
Lemons	(\$20.00)
Sugar	(\$6.00)
Cups	(\$5.00)
Sign & Supplies	(\$8.00)
Ice	(\$10.00)
TOTAL CASH OUTFLOWS	(\$49.00)

NET CASH FLOW (INFLOWS – OUTFLOWS) **\$101.00**

1. The lemonade stand made \$150 in cash inflows and \$49 in cash outflows. Do you think this business was successful?

When cash outflow do you think was the most necessary expense for the lemonade stand, and which expense could

1. If the lemonade stand wanted to increase its net cash flow

**More
Interactive Slides**

Financial Analysis Prompts

LEMONADE STAND
Cash Flow Statement
May 1 – May 31, 2026

CASH INFLOWS	AMOUNT
Cash from Lemonade Sales	\$85.00
Cash from Tips	\$6.00
Cash from Donations	\$2.00
TOTAL CASH INFLOWS	\$93.00

CASH OUTFLOWS	AMOUNT
Lemons	(\$32.00)
Sugar	(\$12.00)
Cups	(\$10.00)
Sign & Supplies	(\$15.00)
Ice	(\$18.00)
TOTAL CASH OUTFLOWS	(\$87.00)

NET CASH FLOW (INFLOWS – OUTFLOWS) **(\$6.00)**

1. Why is this lemonade stand showing negative cash flow?

1. Which expense do you think hurt the business the most,

1. If you were the owner of the lemonade stand, what change would you make next month to help the business?

Negative net cash flow means more cash went out than came in during this period.

Teaching Duration: 50 minutes + Discussions

The 3 Sections of a Cash Flow Statement

There are 3 Sections of a Cash Flow Statement

Operating

Financing

Investing

Operating Activities

Money from everyday business

This section shows the cash a business earns and spends while running its normal operations.

Examples

- Customers buy products
- The business pays employees.
- The business pays rent and utility bills.
- The business buys supplies.

Question it answers:

Is the business making enough cash from its everyday work?

Investing Activities

Money spent on the future

This section shows cash used to buy or sell things that will help the business grow.

Examples

- Buying new equipment
- Buying a company vehicle
- Selling old equipment
- Purchasing a building

Question it answers:

Is the business investing in its future?

Financing Activities

Money from owners and lenders

This section shows how the business gets money to operate and how it pays that money back.

Examples

- The owner invests money in the business.
- The business takes out a loan.
- The business pays back a loan.
- The owner withdraws money from the business.

Question it answers:

Where did the business get the money it needs to operate?

Summary

Operating = Running the business

Investing = Growing the business

Financing = Getting money back

LEMONADE STAND	
Cash Flow Statement	
May 1 – May 31, 2026	
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash from Lemonade Sales	\$85.00
Cash from Tips	\$6.00
Cash from Donations	\$2.00
Cash Paid for Lemons	(\$32.00)
Cash Paid for Sugar	(\$12.00)
Cash Paid for Cups	(\$10.00)
Cash Paid for Supplies	(\$15.00)
Cash Paid for Rent	(\$18.00)
CASH PROVIDED BY OPERATING ACTIVITIES	\$6.00
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Paid for Lemonade Stand (Table)	(\$50.00)
Cash Paid for Blender	(\$25.00)
Cash Paid for Plants & Decor	(\$10.00)
NET CASH USED IN INVESTING ACTIVITIES	(\$85.00)
CASH FLOWS FROM FINANCING ACTIVITIES	
Cash from Owner Investment	\$100.00
Cash Withdrawn by Owner	(\$20.00)
NET CASH PROVIDED BY FINANCING ACTIVITIES	\$80.00
NET INCREASE (DECREASE) IN CASH	\$1.00
CASH AT BEGINNING OF PERIOD	\$49.00
CASH AT END OF PERIOD	\$50.00

★ Cash at the end of the period is what we have left in the cash jar!

Teaching Duration: 50 minutes + Discussions

Assessment – Interactive Slide

Read each cash transaction. Decide whether it belongs in **Operating Activities**, **Investing Activities**, or **Financing Activities**. Place an X in the appropriate box.

	Cash Transaction	Operating	Investing	Financing
1	Received cash from customers for bicycle repairs.	☐	☐	☐
2	Purchased a new delivery van with cash.	☐	☐	☐
3	Owner invested \$20,000 into the business.	☐	☐	☐
4	Paid employee one week wages.	☐	☐	☐
5	Purchased new equipment for the shop.	☐	☐	☐
6	Paid monthly rent.	☐	☐	☐
7	Received part of a business loan.	☐	☐	☐
8	Received cash from daily sales.	☐	☐	☐
9	Sold an old piece of equipment for cash.	☐	☐	☐
10	Owner withdrew cash for personal use.	☐	☐	☐

16 Slides included

Cash Flow Statement
A Comprehensive Analysis

Positive vs. Negative Cash Flow
Is the Business Financially Healthy?

Positive Cash Flow
More money comes in than goes out.

- Business can pay bills
- Business can grow
- Lower financial stress

Negative Cash Flow
More money goes out than comes in.

- Harder to pay expenses
- May need loans or investments
- Can lead to bankruptcy

Example: A TikTok shop gets lots of orders but spends too much on ads and inventory.

What Is a Cash Flow Statement
A cash flow statement shows how money moves in and out of a business.

Key Tracking

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- Cash outflows (Money out)
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Sneaker Business
Operations include:
Receiving customer payments
Paying for inventory, rent, etc.

Critical Thinking: Why can a business be successful but still fail because of poor cash flow?

Cash Inflows vs. Cash Outflows

Cash Inflows (Money In)

- Customer payments
- Loans
- Selling equipment
- Investment money

Cash Outflows (Money Out)

- Payroll
- Rent
- Supplies
- Loan payments
- Taxes

Real-World Application: Cash Flow

Scenario: Successful on Paper
A popular business has:

- Great sales
- Lots of customers
- Positive reviews

BUT... No Cash Available
It cannot afford to:

- Pay rent
- Buy inventory
- Pay employees

Knowledge Check: Cash Flow

Question 1
What is cash flow?

Question 2
Give one example of a cash outflow.

Question 3
Why is cash flow important to businesses?

Operating Activities
Money from everyday business
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Financing = Getting or paying back money

LEMONADE STAND CASH FLOW STATEMENT
May 1 - May 31, 2026

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NET CASH FLOW \$101.00

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4. Paid employees their weekly wages.	☐	☐	☐
5. Purchased new equipment for the shop.	☐	☐	☐
6. Paid monthly rent.	☐	☐	☐
7. Repaid part of a business loan.	☐	☐	☐
8. Received cash from daily sales.	☐	☐	☐
9. Sold an old piece of equipment for cash.	☐	☐	☐
10. Owner withdrew cash for personal use.	☐	☐	☐

Google Slides that **easily converts** to PowerPoint

Hi! My name is Denise Leigh. I have been teaching Business Education for over 25 years! I love collaborating with business educators all over the world. I am a 2022 Pennsylvania Teacher of the Year Finalist and relentless lifetime learner and lover of everything education. Engaging students and connecting them to their world is my jam! Thank you for exploring my resources and sharing my passion for BUSINESS EDUCATION!

Denise Leigh is an expert on student-led instruction. She was featured on CBS Pittsburgh for her City Collaborative™ Project-Based Business Education (PBL) Classroom.

