

Think Critically

1. What does a cash flow statement show?
2. List the five parts of a cash flow statement.
3. Name the five ways that a business owner can keep money flowing into a business.
4. Explain a burn rate and the calculation in which it is used.

Problem Solving

1. Why should you prepare both best-case and worst-case projections for your cash flow statement?
2. Green Golf Course has a positive cash flow only six months out of the year. What should the owner do with the extra cash during these months?