

Lesson Plan– CE-Oh!
Module 11: Business Financials

<p>Class Description</p>	<p>This is the eleventh module in the CE-Oh! Be Your Own Boss series. Learners have created a solid vision of the type of business they would like to create and in the most recent learned about business expenses. Recent modules have been focusing on financial aspects of starting and maintaining a business. In this lesson we will continue to focus on finance by learning about financial reports.</p>
<p>Objectives</p>	<ul style="list-style-type: none"> ● Describe how to utilize income statements (profit and loss statements) and analyze an example income statement through a ratio calculation ● Build a balance sheet using example data ● Identify multiple financial statements ● Calculate a financial ratio from an example balance sheet
<p>National Entrepreneurship Standards Standards</p>	<p>F.23 Assess factors affecting a business’s profit G. Complete financial instruments G.20 Maintain financial records G.21 Read and reconcile financial statements G.22 Correct errors with accounts I.04 Prepare an estimated/projected balance sheet I.05 Calculate financial ratios I.21 Determine a business’s value I.29 Supervise/implement regular accounting procedures and financial reports</p>
<p>National Entrepreneurship Standards: Career Competencies Standards</p>	<p>Flexibility & Adaptability</p>
<p>Common Career Technical Core Standards Overview Standards</p>	<p>BM.1 Utilize mathematical concepts, skills and problem solving to obtain necessary information for decision-making in business</p> <p>BM.3 Explore, develop and apply strategies for ensuring a successful business career</p>

Lesson Plan– CE-Oh!
Module 11: Business Financials

	<p>BM.5 Plan, monitor, manage and maintain the use of financial resources to ensure a business’s financial wellbeing</p> <p>BM-MGT.8 Create strategic plans used to manage business growth, profit and goals</p>	
Vocabulary	<p>Accounts payable</p> <p>Accounts receivable</p> <p>Asset</p> <p>Cash flow statement</p> <p>Cost of goods sold (COGS)</p> <p>Current assets</p> <p>Current liabilities</p> <p>Current ratio</p> <p>Debt ratio</p> <p>Debt-to-equity ratio</p> <p>Expenses</p> <p>Financial ratios</p>	<p>Gross profit</p> <p>Liabilities</p> <p>Liquidity</p> <p>Long-term assets</p> <p>Long-term liabilities</p> <p>Marketable security</p> <p>Operating ratio</p> <p>Owner’s equity</p> <p>Pre-tax profit</p> <p>Quick ratio</p> <p>Return on sales</p> <p>Revenue</p>
Prior to Class	<p>Learners will have participated in all previous modules of this course</p> <p>Learners will have identified a viable business opportunity to create and apply their learning to.</p>	
Links and Materials	<p>Balance Sheet PDF</p> <p>Terms and Definitions PDF</p> <p>Same Size Balance Sheet PDF</p> <p>Sample Cash Flow Statement XLS</p>	
Delivery Method	e-Learning	
Duration	60 min	

Lesson Plan– CE-Oh!
Module 11: Business Financials

Lesson 1: Income Statements (Profit and Loss Statements)

Learners will be able to Will Be Able To (LWBAT): Describe how to utilize income statements and analyze an example income statement through a ratio calculation

Activity: Learner will be introduced to income statements and various types of financial analysis, it's purpose, and how it is prepared

Activity: Learner will be presented with the information needed to identify their pre-tax profit

Activity: Learner will answer 3 of 3 knowledge check questions correctly (Knowledge Check Questions 1, 2 and 3).

Lesson 2: Balance Sheets

LWBAT: Build a balance sheet using example data

Activity: Learner will be provided with an explanation of a balance sheet including assets, liabilities, and owner's equity

Activity: Learners will be provided with an example of how to compare and calculate the percent change of balance sheets over time

Activity: Learner will answer 2 of 2 knowledge check questions correctly (Knowledge Check Questions 4 and 6).

Lesson 3: Financial Statements

LWBAT: Identify multiple financial statements

Activity: Learners will be presented with various financial statements throughout the learning including balance sheets, income statements, and cash flow statements

Activity: Learner will answer 1 of 1 knowledge check questions correctly (Knowledge Check Question 5).

Lesson 4: Financial Ratios

LWBAT: Calculate a financial ratio from an example balance sheet

Lesson Plan– CE-Oh!
Module 11: Business Financials

Activity: Learners will be provided with an explanation of operating ratios and return on sales (ROS)

Activity: Debt ratios and debt-to equity ratios will be presented and explained along with their formulas

Activity: Learners will use a calculator and an income statement to find the operating ratio percentage given an example

Activity: Learner will answer 6 of 6 knowledge check questions correctly (Knowledge Check Questions 1, 3, 4, 5, and 6,).

Knowledge Check and Reflection

LWBAT: Answer 6 out of 6 review questions correctly

Activity: Knowledge Check – 6 questions

Activity: Compare and contrast the learner's definition at the beginning of the module with the answer they provide at the end of the module.

Activity: Create a list of start-up costs and decide which option is best for you to finance them. Estimate figures for your business in order to carry out income statement analysis (including sales-data analysis, same-size analysis, operating ratio, and return on sales), and also create a balance sheet with all types of assets and liabilities (again, using made-up figures). Conduct same-size balance sheet analysis for that same company five years later and find the four balance sheet ratios for the most current year.

NOTE: Providing a link to the instructor is not prompted in the online learning module. As an instructor it will be your responsibility to have the learners send you the links

Assignment: Independent Practice