

Statement of Cash Flows

- ◆ Information on the cash receipts and payments for a specific period of time.
- ◆ Answers the following:
 - ▶ Where did cash come from?
 - ▶ What was cash used for?
 - ▶ What was the change in the cash balance?

HELPFUL HINT
Investing activities pertain to investments made by the company, not investments made by the owners.

Statement of Financial Position

- ◆ Reports the assets, liabilities, and equity at a specific date.
- ◆ Lists assets at the top, followed by liabilities and equity.
- ◆ Total assets must equal total liabilities and equity.
- ◆ Is a snapshot of the company's financial condition at a specific moment in time (usually the month-end or year-end).