FINANCIAL SERVICES TEAM DECISION MAKING EVENT

CAREER CLUSTER
Finance

INSTRUCTIONAL AREA
Financial Analysis

PARTICIPANT INSTRUCTIONS

This event is presented to you through your review of the Career Competencies, Performance Indicators and Case Study Situation.

You have up to 30 minutes to review this information and prepare your presentation. Using the materials provided, you may make notes to use during your presentation.

You will have up to 15 minutes to present to the judge(s). Both members of the team must participate in the presentation, as well as answer any questions.

You will be evaluated on your solution to the case study, how you incorporate the performance indicators of this event and how you demonstrate the career competencies.

Turn in all your notes and event materials when you have completed the event.

SOLUTION

- Accurate – Demonstrate appropriate finance acumen.
- Practical – Develop an actionable/viable solution in a real-world context.
- Effective – Develop a solution that achieves relevant outcomes.

CAREER COMPETENCIES

- Critical Thinking – Think critically to understand and solve problems.
- Communication – Communicate clearly, effectively and with reason.
- Decision Making – Consider the impacts of decisions.

PERFORMANCE INDICATORS

- Describe the need for financial information.
- Describe the nature of cash flow statements.
- Describe the nature of balance sheets.
- Describe the nature of income statements.
- Explain the role of finance in business.

CASE STUDY SITUATION

You are to assume the roles of the financial consultants hired by BULLSEYE BAKERY, a new local business. The owner of the business (judge) wants you to help in understanding financial reports.

BULLSEYE BAKERY had a successful first year in business. The owner (judge) wants to better understand the need for financial reports and how to use them for future decision making.

Your team will meet with the owner (judge) to:

- Describe the need for financial information and how it is used.
- Explain the income statement, the balance sheet and the statement of cash flows, including the purpose of each and how they can be used for decision making.
- Create a graphical representation of each financial statement to demonstrate the distinct characteristics of each report.

You will present the information to the owner (judge) in a meeting to take place in the owner's (judge's) office. The owner (judge) will begin the meeting by greeting you and asking to hear the information. After you have presented the information and have answered the owner's (judge's) questions, the owner (judge) will conclude the meeting by thanking you for your work.

JUDGE INSTRUCTIONS

JUDGE CHARACTERIZATION

You are to assume the role of the owner of BULLSEYE BAKERY, a new local business. You want the financial consultants (participant team) to help in understanding financial reports.

BULLSEYE BAKERY had a successful first year in business. You want to better understand the need for financial reports and how to use them for future decision making.

The financial consultants (participant team) will meet with you to:

- Describe the need for financial information and how it is used.
- Explain the income statement, the balance sheet and the statement of cash flows, including the purpose of each and how they can be used for decision making.
- Create a graphical representation of each financial statement to demonstrate the distinct characteristics of each report.

The participant team will present information to you in a role-play to take place at the office. You will begin the role-play by greeting the participant team and asking to hear the information.

During the course of the role-play, you are to ask the following questions of each participant team:

1. Why is it important for owners to understand this information?
2. How often should I review this information?

Once the financial consultants (participant team) have presented information and have answered your questions, you will conclude the role-play by thanking the financial consultants (participant team) for the work.

You are not to make any comments after the event is over except to thank the participants.

SOLUTIONS

Need for financial information:
Financial information is essential for businesses because it helps leaders make well-informed decisions about how to manage and grow the company. Other reasons why financial information is necessary:

- Tracking performance: By reviewing and analyzing revenue, expenses, and profits, companies can understand how well they are doing and determine areas that need improvement.
- Planning for the future: Financial information helps businesses create budgets, forecast future earnings, and set goals. These tools help management determine if goals are being achieved and make corrections, if not.
- Making investment decisions: When deciding whether to invest in new equipment, projects, or products, financial data provides information that helps management determine if the investment is likely to be successful.
- Meeting legal requirements: Businesses need to keep financial records to follow laws and regulations, especially if they are publicly traded or are seeking investors.
- Building trust: Financial reports give investors, lenders, and other stakeholders confidence that the company is being managed responsibly.

The nature of the financial statements:
Income Statement
The income statement, also known as the profit and loss statement, shows a company's financial performance over a specific period of time, such as a month, quarter, or year. It lists the company's revenues and expenses, which are used to calculate the net income (profit or loss) for that period.

- Purpose: The income statement helps stakeholders see if the company is making money or losing money during the period covered.
- Usage: Track profitability (or revenue or expense items) to ensure goals are being met. If not, review the data to make necessary corrections.

Balance Sheet
The balance sheet presents a snapshot of a company's financial position at a single point in time. It is divided into three main sections: assets (what the company owns), liabilities (what the company owes), and equity (the owners' share in the business). The balance sheet follows the formula: Assets = Liabilities + Equity.

- Purpose: This statement helps investors, creditors, and managers assess the company's financial strength and stability.
- Usage: Review assets, especially cash, to ensure there are enough assets to cover debt, if necessary. Review and watch liability accounts so they do not get to high.

Statement of Cash Flows
The statement of cash flows shows how cash moves in and out of a business during a specific period. It is divided into three sections: cash flows from operating activities, investing activities, and financing activities.

- Purpose: This statement helps users understand how the company generates and uses cash, ensuring that the business has enough liquidity to meet its obligations and invest in future opportunities.
- Usage: Review the cash provided by operating activities regularly to ensure the company is generating cash from daily operations and not relying on the sale of investments to generate an inflow of cash.

Graphics (samples):

Bullseye Bakery	
Income Statement	
For the year ending 202X	
Revenues	$ xxx
-Cost of goods sold	Xxx
=Gross profit	Xxx
-operating expenses	Xx
=net income	Xx

Bullseye Bakery	
Balance Sheet	
As of 12/31/202X	
Assets	$ Xxxx
Liabilities	$ Xxx
Owners' equity	X
Total liabilities + equity	$ Xxxx

Bullseye Bakery	
Statement of Cash Flows	
For the year ending 202X	
Cash provided by operating activities	$ Xxxx
Cash provided (used) by investing activities	Xxx
Cash provided (used) by financing activities	Xxx
Net change in cash	$ Xx
Beginning cash	Xxx
Ending cash (ties to ending balance sheet)	$ Xxxx

EVALUATION INSTRUCTIONS

- The participants are to be evaluated on their solution and ability to apply the specific performance indicators stated on the cover sheet of this event and restated on the Judge's Evaluation Form. Although the participants may demonstrate other performance indicators, those listed in the Performance Indicators section are the selected ones you are evaluating for this particular event.
- Maintain a consistent expectation when evaluating each participant team.
- The maximum score for the evaluation is 100 points. The presentation will be weighted twice (2 times) the average of the exam scores.

Levels of Evaluation

FOCUS AREA	NOVICE	DEVELOPING	PROFICIENT	EXEMPLARY
Content Understanding	Demonstrates a limited or inaccurate understanding of key concepts.	Demonstrates a basic understanding of key concepts.	Demonstrates a solid understanding of key concepts and clearly explains and supports ideas using appropriate evidence.	Demonstrates comprehensive understanding of concepts and applies them effectively to solve the scenario, including in more complex or extended contexts.
Application of Performance Indicators and Career Competencies	Lists the performance indicators and career competencies, but understanding is incomplete or inaccurate.	Defines the performance indicators and career competencies, but does not connect them to solve the objective of the case study scenario.	Explains the performance indicators and career competencies and connects them to solve the objective of the case study scenario.	Strategically applies the performance indicators and career competencies and connects them to comprehensively solve the objective of the case study scenario.
Reasoning	Ideas are unclear, inaccurate, or lack logical support. There is no application of the ideas and concept.	Ideas are present and somewhat logical but contain gaps in reasoning, development, or supporting evidence.	Ideas are logical, well-developed, and supported with appropriate evidence, with only minor gaps.	Ideas are logical, well-supported using appropriate business concept and theories and demonstrates reasoning with clear practicality and real-world relevance.
Workplace Readiness	Participants represent an employee who requires significant guidance and support to complete tasks.	Participants represent an employee who demonstrates basic skills and can complete routine tasks with some guidance.	Participants represent an employee with solid skills and who works independently to complete tasks effectively.	Participants represent an employee with advanced skills, works independently, and adapts effectively to new or unpredictable challenges.

FINANCIAL SERVICES TEAM DECISION MAKING – 2026

JUDGE'S EVALUATION FORM
ASSOCIATION EVENT 1

INSTRUCTIONAL AREA:
Financial Analysis

Participant: ____________________________

Participant: ____________________________

ID Number: ____________________________

Rate the participants' ability to:		Novice	Developing	Proficient	Exemplary	Judged Score
PERFORMANCE INDICATORS						
1.	Describe the need for financial information.	0-1-2-3	4-5-6	7-8-9	10	
2.	Describe the nature of cash flow statements.	0-1-2-3	4-5-6	7-8-9	10	
3.	Describe the nature of balance sheets.	0-1-2-3	4-5-6	7-8-9	10	
4.	Describe the nature of income statements.	0-1-2-3	4-5-6	7-8-9	10	
5.	Explain the role of finance in business.	0-1-2-3	4-5-6	7-8-9	10	
SOLUTION						
6.	**Accurate** Demonstrate appropriate finance acumen.	0-1-2	3-4-5	6-7	8	
7.	**Practical** Develop an actionable/viable solution in a real-world context.	0-1-2	3-4-5	6-7	8	
8.	**Effective** Develop a solution that achieves relevant outcomes.	0-1-2	3-4-5	6-7	8	
CAREER COMPETENCIES						
9.	**Critical Thinking** Think critically to understand and solve problems.	0-1	2-3	4-5	6	
10.	**Communication** Communicate clearly, effectively and with reason.	0-1	2-3	4-5	6	
11.	**Decision Making** Consider the impacts of decisions.	0-1	2-3	4-5	6	
OVERALL IMPRESSION						
12.	Demonstrate overall career readiness through professionalism, poise and confidence.	0-1-2	3-4-5	6-7	8	
					TOTAL SCORE	