



LESSON CONTENT TEMPLATE

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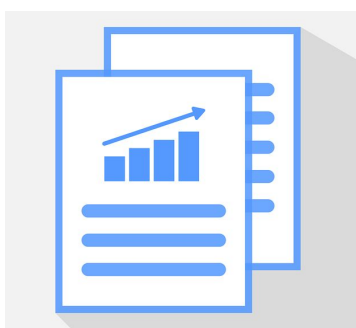
1. Lesson Document

Topic 5: Statement of Cash Flow
Lesson 2

Annual report

Introduction

This lesson is dedicated to the annual report. In this lesson, we will learn what an annual report is, why it is important, and what are the parts of the annual report.



Resource: [Pixabay](#)

What is the annual report?

It is a document that public corporations must provide annually to shareholders and which describes their business and financial conditions. The report usually contains a combination of graphics, photographs, and accompanying narratives, all of which record the company's activities over the past year, and can also give predictions about the company's future. The last part of the report contains detailed financial and operational information. (*Annual Report Definition, 2020*).

What is included in the annual report?

Usually, the annual report contains:

- General corporate information
- Financial history and highlights

- Management Discussion and Analysis
- Letter from the General Manager to the shareholders
- Financial statements (balance sheet, income statement, and cash flow statement)
- Text, graphics, and photos
- Notes to the financial statements
- Summary of financial data
- Accounting policies etc.

Conclusions

As we have the opportunity to see that the annual reports provide a lot of information. Starting from the mission and business of the company all the way to its achievements in the previous year. Although financial achievements are included in this report, other achievements have been noted, such as research progress, increased market share, or honors awarded to the company or its employees.