Revenue, profit and cash

Name: _____ Class: _____ Date: _____

What to do

1. The exit ticket is on page 2 of your worksheet. Your teacher will tell you when to answer it.

Part A. Warm-up: the sneaker reseller (made-up numbers)

Jordan pays $1,000 for 10 pairs of sneakers in May. Jordan sells all 10 pairs for $1,400 in June.

May: Cash in or out: _____; Profit recorded: _____

June: Cash in or out: _____; Profit recorded: _____

1. A1. In which month did Jordan "make money"? _____

2. A2. In which month did Jordan's cash go down? _____

Part B. Three words

Write each definition in your own words.

1. Revenue

2. Net income (profit)

3. Cash from operations

4. B1. Which report in a 10-K shows net income? _____

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5. B2. Which report in a 10-K shows cash from operations? _____

Part C. Three real cases

All numbers are in US dollars for the full fiscal year. Data from each company's Form 10-K, as shown on its Cityfort page (checked Nov 7, 2026).

A. Netflix, FY2021: Revenue: $29,697.8 million; Net income (profit): $5,116.2 million; Cash from operations: _____; Circle the bigger one: Net income / Cash

B. Netflix, FY2025: Revenue: $45,183.0 million; Net income (profit): $10,981.2 million; Cash from operations: _____; Circle the bigger one: Net income / Cash

C. Chipotle, FY2025: Revenue: $11,925.6 million; Net income (profit): $1,535.8 million; Cash from operations: _____; Circle the bigger one: Net income / Cash

C1. How big is the gap in each case? Subtract the smaller number from the bigger one.

1. A: _____ B: _____ C: _____

Part D. Why are they different?

Clues from the companies' own reports: Netflix records the cost of each show over up to ten years. It often pays for shows before they come out. Chipotle spent on average about $1.5 million to build each new restaurant in 2025. It records that cost a little each year, as depreciation ($361.4 million in FY2025).

1. D1. Same company, four years apart: why did the gap between Netflix's profit and cash nearly disappear?

2. D2. How can a restaurant company bring in more cash than its profit?

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Part E. What did they do with their cash in FY2025?

Read the facts, then describe each company's choices in one sentence. Do not judge them. A dividend is cash a company pays to its shareholders.

Netflix: repurchased $9.1 billion of its own stock. Paid no dividend.

Chipotle: opened 334 company-owned restaurants. Repurchased $2.4 billion of its own stock. Paid no dividend.

1. E1.

Advanced (optional)

Capital spending is money spent on buildings and equipment. Work out capital spending as a share of cash from operations. Formula: capital spending ÷ cash from operations × 100

A. Netflix, FY2021: Capital spending: $524.6 million; Cash from operations: $392.6 million; Share (%): _____

B. Netflix, FY2025: Capital spending: $688.2 million; Cash from operations: $10,149.3 million; Share (%): _____

C. Chipotle, FY2025: Capital spending: $666.3 million; Cash from operations: $2,113.9 million; Share (%): _____

1. What changed for Netflix between FY2021 and FY2025? Describe it without using "good" or "bad."

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Exit ticket

1. Match each term to its meaning. Write the letter. Revenue: ____ Net income (profit): ____ Cash from operations: ____ a. Cash that came in from running the business, minus cash that went out. b. Money earned from customers in a year. c. What is left after all the costs, interest and taxes recorded for the year.

   _____

2. True or false? A company records the whole cost of a new show in the year it pays for it.

   _____

3. Where in a 10-K? Name the statement where you would find "net cash provided by operating activities."

   _____

Word bank

Revenue	Money a company earns from customers in a year.
Net income (profit)	What is left of revenue after all the costs, interest and taxes recorded for that year.
Cash from operations	Cash that came in from running the business, minus cash that went out.

student page

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