Order Description

P​‌‍‍‍‌‍‍‍‌‍‍‍‌‍‍‍‍‍‌‍​lease put each of the 4 parts under a different heading. Just a reminder, make sure the paper includes sufficient evidence. Please do not merely add more words to meet the page requirement, but consider depth and new ideas or viewpoints that add value to the paper. Since it is only 3 pages, NO repetition or fluff! Please be sure to have good and ample supporting evidence for each part. The paper must be detailed and well written. 1. What are the primary sources of short-term funds for new business owners? What are their sources of long-term funds? Why do firms generally prefer to borrow funds to obtain long-term financing rather than issue shares of stock? 2. Go online and check the capitalization required to open a franchise of your choice, like Subway or McDonald's. Does the franchisor offer financial assistance to prospective franchisees? Evaluate the cost of the franchise versus its business potential using the risk/return trade-off discussed in the module. 3. Obtain a recent annual report for a company of your choice. (Hints: The Wall Street Journal has a free annual reports service, and virtually all major companies post their annual reports on their webs​‌‍‍‍‌‍‍‍‌‍‍‍‌‍‍‍‍‍‌‍​ites.) Look over the firm's financial statements and see whether they match the information in this chapter. Read the auditor's opinion (usually at the end of the report) and evaluate what you think are the most important conclusions of the auditors. 4. Potz and Pans, a small gift shop, has current assets of $45,000 (including inventory valued at $30,000) and $9,000 in current liabilities. WannaBees, a specialty-clothing store, has current assets of $150,000 (including inventory valued at $125,000) and $85,000 in current liabilities. Both businesses have applied for loans. Click the calculators box on the tool bar at [www.bankrate.com](https://www.bankrate.com/) and then go to small business to answer the following questions: a. Calculate the current ratio for each company. Which company is more likely to get the loan? Why? b. The acid-test ratio subtracts the value of the firm's inventory from its total current assets. Because inventory is often difficult to sell, this ratio is considered an even more reliable measure of a business's ability to repay loans than the current ratio. Calculate the acid-test ratio for each business and decide whether you would give either the loan? Why or why not​‌‍‍‍‌‍‍‍‌‍‍‍‌‍‍‍‍‍‌‍​?

<https://www.bankrate.com/small-business/calculators/>