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Nota di bibliografia	Includes bibliographical references and index.
Nota di contenuto	Cover; Title Page; Copyright Page; Dedication; Table of contents; Foreword; Chapter 1 - Business Structures and Funding Sources; Short review of business structures; Selecting a financing source; What to consider before you apply; Review Credit Reports; Prepare a SWOT Matrix; Check for Red Flags; Documentation generally required for a small business loan application; Chapter 2 - How Banks Evaluate Your Loan Application; Primary evaluation; Business Operations; Company Attributes; Industry Attributes; Management; Bank Relationship; Financial Reporting; Analytic Evaluation; Intention (Purpose) RepaymentSafeguards; Collateral; Guarantees; Loan Covenants; Perspective: how lenders put it all together; First Stage: Risk Versus Rewards Analysis; Second Stage: Acknowledging the Customer's Strategic Agenda; Third Stage: Satisfy the Lender's Agenda; Chapter 3 - Is Your Financial Information Accurate and Reliable?; The auditor's role; How accountants record transaction data; Historical Cost; Accounting Standards as Applied to Revenue Realization; The Matching Principle; Consistency; Disclosure; Objectivity; The significance of footnotes; Accounting for contingencies Classification of ContingenciesProduct Warranties or Defects; Litigation Contingencies; Environmental Contingencies; Risk of Catastrophic Losses; Direct and Indirect Guarantees; Financial instruments with off balance sheet risk; Asset Securitization; Futures Contracts; Pensions; Discretionary Items; Research and Development; Two significant

auditing storm signals; Changing Auditors; Creative Accounting;  
Chapter 4 - Ratios Every Business Should Monitor; What are ratios?;  
Peer Group or Industry Comparisons; Ratio Trends; Ratio Workshop;  
Jones Designs, Inc.; Liquidity Ratios; Current Ratio  
Quick Ratio (Also Known As Acid Test)Net Working Capital; Activity or  
Turnover Ratios; Average Collection Period; Bad Debt Expense/Sales;  
Inventory Turnover; The Fixed Asset Turnover; Working Capital  
Turnover; Total Asset Turnover; Average Settlement Period or Accounts  
Payable Turnover; Profitability Ratios; The Gross Profit Margin; Selling  
General and Administration Expenses/Sales; Effective Tax Rate; The Net  
Margin; Return on Net Worth; Return on Total Assets; Dividend Payout  
Ratio; Financial Leverage Ratios; Debt-to-Equity and Debt-to-Total  
Assets Ratios; Times Interest Earned  
The Fixed Payment Coverage RatioDebt Affordability Ratio; Cash Flow  
Coverage<sup>2</sup>; Growth Ratios; Sales Growth Rate; Profit Growth Rate;  
Sources of comparative ratios; Chapter 5 - Financing Your Season;  
Examples of seasonal businesses; How a successful seasonal cycle  
works; Unsuccessful seasonal cycles; Examples of successful seasonal  
cycles; Seasonal lending analysis; Preparing a cash budget (refer to  
Acme's cash budget)<sup>1</sup>; Exercise: preparing a cash budget; Interim  
seasonal ratio analysis;  $(\text{Cash} + \text{Accounts Receivable}) / (\text{Short-Term Bank Debt} + \text{Trade Payables})$   
Returns Allowances and Discounts/Gross Sales

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## Sommario/riassunto

The need for ""back to basics"" information about credit risk has not disappeared; in fact, it has grown among lenders and investors who have no easy ways to learn about their clients. This short and readable book guides readers through core risk/performance issues. Readers learn the ways and means of running more efficient businesses, review bank and investor requirements as they evaluate funding requests, gain knowledge selling themselves, confidence in business plans, and their ability to make good on loans. They can download powerful tools such as banker's cash flow models and forecast eq

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