Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Business Class: Finance & Accounting Chapters PART 2**

**Directions:** Using our Business Class TEXTBOOK, answer the following questions and upload to Canvas for your “Quiz Grade.” Instead of giving you separate quizzes, we will have you answer these questions by yourself. You must work on them during class time. Whatever you do not finish during class time then you need to finish for homework. They are due at the start of the next class.

As with everything in this class. Simple main ideas or bullet points are fine and will get you an A or A-. If you want an A+ add some more details and thought to your answers.

1. Read page 448 starting at “Financial Statements” and then read all the rest of page 448. Write 1 thing you learned from this page?
2. Now I want you to spend 4 minutes and look over all of Table 14.3 (which is both pages 450 and 451). Just take 4 minutes and look over as much of pages 450 and 451 as you can. Try to figure out yourself what is going on here.

-After 4 minutes- write 3 things you observe or you learned from studying Table 14.3:

1. Read Page 453 at the bottom starting at “The Balance Sheet”- and then skip to the bottom of page 455 and read the short remaining paragraph starting with “Balance sheets are often…”

-What is 1 thing you learned about “the balance sheet”?

1. Start reading at the bottom of page 455 “Assets” and then read the first two paragraphs on page 457.

-Define these terms:

a. current assets-

b. accounts receivable-

1. Start reading at the bottom of page 457 “Liabilities” and then read the top of page 458 Owners/ Equity” and

-Define these terms:

a. current liabilities

b. accounts payable

c. accrued expenses

d. owners’ equity

1. Now let’s see what all of this looks like on a Sample Balance Sheet. Take 4 minutes and look over Table 14.5 (which is both Pages 454 and 455). After you look over this sample balance sheet for 4 minutes…then write 3 observations or things you learned from it:
2. 6. Now let’s see what all of this looks like on a Sample Consolidated Balance Sheet from Starbucks also. Take 4 minutes and look over Table 14.6 (which is both Pages 456 and 457). After you look over this sample consolidated balance sheet for 4 minutes…then write 3 observations or things you learned from it:
3. Now start reading at the bottom of page 460 “Ratio Analysis” and read the top 3 paragraphs on page 461. The explain in your own words what is ratio analysis?
4. Read page 461 starting at “Profitability Ratios” and then define these terms:
5. Profitability ratios
6. Profit margin
7. Return on assets
8. You do NOT have to read page 462 “Responding to Business Challenges”. Instead start reading on page 462 at “ Stockholders are always…” and then read the first half of page 463 and define these terms:
9. Return on equity
10. Asset utilization ratios
11. Receivables turnover
12. Inventory turnover
13. Total asset turnover