

## Chapter 36 Financing the Business

### Section 36.1 Financial Analysis

#### Section Outline with Content and Academic Vocabulary

##### Section Outline

- The Financial Part of a Business Plan
  - The Personal Financial Statement
    - Assets
    - Liabilities
    - Net Worth
  - Estimating Start-Up Costs
  - Personal Living Costs

##### Content Vocabulary

###### personal financial statement

**asset** Anything of monetary value that a person owns, such as cash, checking and savings accounts, real estate, or stocks. (p. 843)

**liability** A debt owed to others, such as a car payment, credit card debt, or taxes. (p. 843)

**net worth** The difference between assets and liabilities. (p. 844)

**start-up costs** Projections of how much money a new business owner needs for the business's first year of operation. (p. 845)

##### Academic Vocabulary

**assess** Place a value on; judge the worth of something. (p. 845)

**purpose** What something is used for. (p. 849)