Capstone: a debt and cash profile of ___

Name: _____ Class: _____ Date: _____

You will make a debt and cash profile of one company: what it owes, what it holds, why it borrowed, what its interest costs and when its debt comes due. Every number needs its filing and its date.

What to do

1. Choose one company from the cards below.
2. Fill in the research log on your worksheet from the card.
3. Find one more fact in the company's 10-K or 10-Q (links on each card), for example a part the card leaves blank.
4. Make a one-page profile, a poster or a 3-slide talk, using the template.

Part A: Research log

Write each fact and its source: the card, or the filing with its section and date.

My company: _____ Fiscal year ends: _____

1. Debt $_____; cash $_____; net debt / net cash $_____ Date: _____ Source: _____

2. Why it borrowed (or repaid): _____ Source: _____

3. Interest coverage: _____ times, FY_____, or why it is not shown: _____ Source: _____

4. What comes due soon: $_____ by _____ Liquidity: $_____ Source: _____

5. Equity above / below zero: $_____ Date: _____ Why: _____ Source: _____

6. One more fact from the 10-K or 10-Q: _____ Section: _____

Part B: Template

Debt and cash profile: _____ (facts dated _____ to _____)

1. Owes and holds. On _____, it had $_____ of debt and $_____ of cash, so its net _____ was $_____. Source: _____

2. Why it borrowed. Its filing says _____ . Source: _____

3. The cost. In FY_____, operating income covered interest about _____ times (or the page leaves it blank because _____). Source: _____

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4. When it comes due. $_____ is due by _____; it stated $_____ of liquidity on _____.
Source: _____

5. Equity. On _____, equity was $_____ (above / below zero), because _____ .
Source: _____

6. One more fact. "_____" (filing, section)

1. **Sources.** List each filing (company, form, date filed) and the card you used.

_____

_____

Part C: Self-check before you hand it in

☐ Every number has its date or fiscal year next to it.

☐ Every fact names its source: the card, or the filing with its section.

☐ I wrote net cash, not a negative net debt, where cash was larger than debt.

☐ I did not call the company safe, risky, strong or weak, and I said nothing about its shares.

☐ I used no ranking words such as "best" or "worst."

☐ A classmate could explain my company's debt and cash after reading this.

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Exit ticket · Day 2 or Day 3.

Name: _____ Class: _____ Date: _____

Part D: Exit ticket

1. In one sentence, describe your company's debt and cash, with the date.

2. Write the formula for interest coverage.

3. Name one reason a company's equity can be below zero while it keeps operating.

4. Rewrite this sentence so it only describes: "Boeing has a scary amount of debt."

5. Rewrite this sentence so it uses the filing, not a guess: "Oracle will never pay back its loans."

Word bank

Net debt	Debt minus cash. Below zero, it is net cash.
Interest coverage	Operating income ÷ interest expense for one year.
Maturity	The date a loan or bond must be repaid.
Liquidity	Cash and short-term investments plus unused credit lines.
Shareholders' equity	Assets minus liabilities on one date.

Sentence starters

- On ____ (date), ____ had $____ of debt and $____ of cash, so its net ____ was $____.
- Its filing says it borrowed to ____.

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- In FY____, its operating income covered interest about ____ times.

student page

Scan the code or type: **cityfort.co/class/staying-power**

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