

La Piazza Restaurant has always adhered to a strict cash only policy. Management is, for the first time, considering accepting credit cards and/or extending direct credit to customers. The left side of the following table includes seven factors that management has under consideration as it contemplates its cash/credit policy alternatives. Complete the "check-off" process for each factor/policy. The first factor is completed as an example.

	<i>Cash Only</i>		<i>Direct Extension of Credit</i>		<i>Accept Credit Cards</i>	
	Advantage	Disadvantage	Advantage	Disadvantage	Advantage	Disadvantage
Opportunity to charge/collect additional income in the form of interest		✓	✓			✓
Likely increase in revenues						
Conducting credit background check/obtaining a credit report						
Significant risk of uncollectible accounts						
Increased accounting cost in the form of periodic billings						
Incurrence of fees on each transaction						
Immediate access to proceeds						