

HOW TO READ A BALANCE SHEET

Balance Sheet Standard

As of DATE

DATE

ASSETS

Current Assets

Checking/Savings

General Checking - 8746 162,763.84

General Checking - 3551 21,143.31

Savings Account - 4350 41,121.05

Total Checking/Savings 225,028.20

Accounts Receivable

Accounts Receivable 4,898.75

Total Accounts Receivable 4,898.75

Other Current Assets

Inventory Asset 26,710.88

Total Other Current Assets 26,710.88

Total Current Assets 256,637.83

Other Assets

Trustee Investments 1,500.00

Total Other Assets 1,500.00

TOTAL ASSETS 258,137.83

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable 863.20

Accounts Payable 863.20

Total Accounts Payable 863.20

Total Current Liabilities 863.20

Total Liabilities 863.20

Equity

Opening Balance Equity 9,787.57

Unrestricted Net Assets 113,887.65

Retained Earnings 119,868.74

Net Income 6,154.32

Total Equity 249,698.28

TOTAL LIABILITIES & EQUITY 250,561.48

Days cash on hand:

$$\frac{\text{Cash \& current investments}}{\text{Annual cash requirements}/365}$$

Debt to equity ratio:

$$\frac{\text{Total liabilities}}{\text{Total net assets without donor restrictions}}$$

Working capitol ratio:

$$\frac{\text{Net assets without donor restrictions} - \text{net fixed assets}}{\text{Annual cash requirement}/365}$$

Anything easily converted into cash

An allowance for receivables that might not be collected

Value of products you have on hand

Assets that were donated or purchased with the hope that they will generate income

Outstanding debt that has to be paid within 12 months

Starting balance of your account when you created your books

Donations with no strings attached

the sum of all the annual surpluses or deficits that an organization has accumulated over its entire history