

*Intro to Nonprofit Finance*

**Lesson 3 - Experiential Component**

Exercise: Take a good look at these sample financial statements for All Good Things, and find someone to show them to. Explain the following questions to them. Keep notes on your conversation because we will ask you to report back on your answers.

1. What is All Good Things' budget total for this year?
2. How does All Good Things fund its work?
3. What are All Good Things' three biggest expenses?
4. How is All Good Things actually doing, compared to its projected budget? (look at the bottom line of the income statement)
5. What are All Good Things' net assets? (look at the balance sheet)
6. How many months could All Good Things keep running without funding? (to calculate this, go to the budget, find the expense total, and divide by 12 months. That is your monthly operating cost. Then go to the balance sheet and find current net assets. Divide current net assets by the monthly operating cost. This number is how many months All Good Things could keep its doors open with no new income.)

## ASSETS

## Current Assets

## Checking/Savings

Calm Bank money market	75,071.45
Celebration Bank money market	833.33
Freedom Bank savings	7,579.28
Freedom Bank checking	16,294.52
Freedom Bank money market	62,457.88
Rising Bank (CD #123)	27,232.66
Rising Bank (CD #456)	6,823.50
Rising Bank (CD #789)	42,336.07
Rising Bank (CD #888)	11,874.17
Rising Bank savings	120.23
subtotal	250,623.09

## Accounts Receivable

CVAP	51,000.00
DSHS	33,818.00
subtotal	84,818.00

## Other Current Assets

Pledges receivable	34,499.99
Prepaid expenses	18,679.74
subtotal	53,179.73

**Total Current Assets****388,620.82**

## Fixed Assets

Furniture & Equipment	75,373.48
Land	74,300.00
Building	867,780.96
Less depreciation	(267,261.34)

## Total Fixed Assets

750,193.10

**TOTAL ASSETS****1,138,813.92**

## LIABILITIES &amp; NET ASSETS

## Liabilities

## Current Liabilities

Accounts payable	25,037.45
401k payable	3,046.94
Accrued vacation payable	11,934.93
Employment Security payable	2,880.76
L&I payable	1,426.58
subtotal	44,326.66

## Total Liabilities

44,326.66

**Net Assets**

Fund balances, unrestricted	1,078,474.02
Temporarily restricted	47,912.51
Operating reserves	75,071.45
Replacement reserves	7,579.28
Current earnings	(114,550.00)

## Total Net Assets

1,094,487.26

**TOTAL LIABILITIES & NET ASSETS****1,138,813.92**

These pretend statements are partly based on actual ones from a WSCADV member program. We thank them for their generous help. Assume that any mistakes are by WSCADV.

"All Good Things"  
INCOME STATEMENT  
September 30, 2007

	Year To Date	Budget	Percent
<b>INCOME</b>			
<i>3 months into FY08 = 25%</i>			
Government grants & contracts			
CVAP	-	207,929	0%
DSHS	-	150,835	0%
DSHS - other	10,140	40,560	25%
EFSP/FEMA	1,500	6,000	25%
ESAP	8,532	34,129	25%
OCVA	21,061	84,245	25%
OCVA - legal advocacy	7,000	28,000	25%
OCVA - marginalized communities	4,826	19,303	25%
SA Prevention	1,800	7,201	25%
STOP	3,652	14,608	25%
Other (criminal justice, other)	4,000	54,046	7%
subtotal	62,511	646,856	10%
Foundation & other grants			
Red Hat Society	-	12,450	0%
other grants	1,000	8,000	13%
subtotal	1,000	20,450	5%
Donations & Fundraising			
Cash donations	4,000	34,046	12%
Fundraising			
Ball	-	8,500	0%
Breakfast event	-	38,500	0%
Pop machine	50	220	23%
Other	100	300	33%
subtotal	4,150	81,566	5%
United Way	16,000	67,000	24%
Other			
Interest	800	4,000	20%
Other	3,000	6,150	49%
subtotal	3,800	10,150	37%
<b>TOTAL INCOME</b>	<b>87,461</b>	<b>826,022</b>	<b>11%</b>
<b>EXPENSE</b>			
Personnel			
Salaries and wages			
Administration	22,706	90,824	25%
Program	102,858	411,431	25%
Payroll taxes @ 10%	12,557	50,226	25%
Benefits			
Medical, dental, disability @ 13.14%	16,498	65,990	25%
401k contribution @ 3%	4,010	16,040	25%
subtotal	158,629	634,511	25%

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Program Expenses			
Answering service	700	2,326	30%
Client expenses	12,000	26,550	45%
Community relations	100	350	29%
Fire alarm	100	400	25%
Food	1,000	5,000	20%
Home maintenance	2,000	8,000	25%
Supplies			
Group/outreach	750	2,675	28%
Presentations	500	1,650	30%
Shelter	750	2,500	30%
Training & professional development	3,000	9,450	32%
Transportation	300	1,500	20%
Travel	3,000	7,500	40%
Utilities	3,250	13,000	25%
subtotal	27,450	80,901	34%
Operating Expenses			
Advertising	100	125	80%
Dues/Subscriptions	100	5,270	2%
Employee relations	750	3,050	25%
Equipment	-	16,850	0%
Equipment maintenance	900	3,500	26%
Fundraising			
Ball	-	800	0%
Breakfast	-	4,700	0%
Insurance	7,750	31,000	25%
Internet	225	900	25%
Miscellaneous	250	1,000	25%
Payroll	63	250	25%
Postage	325	1,300	25%
Printing	500	3,500	14%
Professional fees (audit, other)	1,000	10,500	10%
Supplies - office	1,469	5,876	25%
Telephone	2,500	9,980	25%
subtotal	15,932	98,601	16%
<b>TOTAL EXPENSE</b>	<b>202,011</b>	<b>814,013</b>	<b>25%</b>
<b>INCOME OVER (UNDER) EXPENSES</b>	<b>(114,550)</b>	<b>12,009</b>	

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	Amount	Total
INCOME		
Government grants & contracts		
CVAP	207,929	
DSHS	150,835	
DSHS - other	40,560	
EFSP/FEMA	6,000	
ESAP	34,129	
OCVA	84,245	
OCVA - legal advocacy	28,000	
OCVA - marginalized communities	19,303	
SA Prevention	7,201	
STOP	14,608	
Other (criminal legal, other)	54,046	
subtotal		646,856
Foundation & other grants		
Red Hat Society	12,450	
other grants	8,000	
subtotal		20,450
Donations & Fundraising		
Cash donations	34,046	
Fundraising		
Ball	8,500	
Breakfast event	38,500	
Pop machine	220	
Other	300	
subtotal		81,566
United Way	67,000	67,000
Other		
Interest	4,000	
Other	6,150	
subtotal		10,150
<b>TOTAL INCOME</b>		<b>826,022</b>

EXPENSE

Personnel

Salaries and wages		
Administration	90,824	
Program	411,431	
Payroll taxes @ 10%	50,226	
Benefits		
Medical, dental, disability @ 13.14%	65,990	
401k contribution @ 3%	16,040	
subtotal		634,511

Program Expenses

Answering service	2,326	
Client expenses	26,550	
Community relations	350	
Fire alarm	400	
Food	5,000	
Home maintenance	8,000	
Supplies		
Group/outreach	2,675	
Presentations	1,650	
Shelter	2,500	
Training & professional development	9,450	
Transportation	1,500	
Travel	7,500	
Utilities	13,000	
subtotal		80,901

Operating Expenses

Advertising	125	
Dues/Subscriptions	5,270	
Employee relations	3,050	
Equipment	16,850	
Equipment maintenance	3,500	
Fundraising		
Ball	800	
Breakfast	4,700	
Insurance	31,000	
Internet	900	
Miscellaneous	1,000	
Payroll	250	
Postage	1,300	
Printing	3,500	
Professional fees (audit, other)	10,500	
Supplies - office	5,876	
Telephone	9,980	
subtotal		98,601

<b>TOTAL EXPENSE</b>		<b>814,013</b>
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<b>INCOME OVER (UNDER) EXPENSES</b>		<b>12,009</b>
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