



**Financial Statements**  
**July 1, 2018 - May 31, 2019**



**STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

|   | 5/31/2019           | 4/30/2019           | 3/31/2019           | 2/28/2019           | 1/31/2019           | 12/31/2018          | 11/30/2018          | 10/31/2018          | 9/30/2018           | 8/31/2018           | 7/31/2018           |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Assets</b>                               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Current Assets</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Cash in Bank (Note 1)                       | \$ 76,466           | \$ 539,023          | \$ 797,520          | \$ 452,737          | \$ 706,422          | \$ 135,514          | \$ 616,740          | \$ 702,792          | \$ 140,386          | \$ 277,613          | \$ 301,393          |
| Other Cash Accounts (Note 2)                | \$ 4,806            | \$ 13,257           | \$ 1,212            | \$ 16,038           | \$ 6,107            | \$ 6,107            | \$ 6,107            | \$ (811)            | \$ 12,589           | \$ 4,927            | \$ 4,927            |
| Accounts Receivable - Grants (Note 3)       | \$ 3,230,942        | \$ 2,595,230        | \$ 2,567,727        | \$ 2,404,350        | \$ 2,548,568        | \$ 2,319,153        | \$ 2,747,310        | \$ 2,650,749        | \$ 2,876,736        | \$ 3,187,310        | \$ 2,896,353        |
| Accounts Receivables - Others (Note 4)      | \$ 20,769           | \$ 15,845           | \$ 15,945           | \$ 86,283           | \$ 11,257           | \$ 12,257           | \$ 11,257           | \$ 10,477           | \$ 11,132           | \$ 10,877           | \$ 15,651           |
| Prepaid Expenses/Deposits                   | \$ 59,356           | \$ 35,238           | \$ 43,552           | \$ 190,377          | \$ 15,791           | \$ 16,615           | \$ 16,114           | \$ 16,114           | \$ 19,461           | \$ 24,370           | \$ 21,173           |
| <b>Total Current Assets</b>                 | <b>\$ 3,392,339</b> | <b>\$ 3,198,594</b> | <b>\$ 3,425,955</b> | <b>\$ 3,149,784</b> | <b>\$ 3,288,146</b> | <b>\$ 2,489,646</b> | <b>\$ 3,397,528</b> | <b>\$ 3,379,321</b> | <b>\$ 3,060,304</b> | <b>\$ 3,505,096</b> | <b>\$ 3,239,496</b> |
| <b>Fixed Assets Net</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Building & Improvements                     | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          | \$ 761,150          |
| Computers/Furniture, Equipment & Software   | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          | \$ 163,816          |
| Depreciation & Amortization                 | \$ (592,769)        | \$ (590,408)        | \$ (588,046)        | \$ (585,685)        | \$ (583,323)        | \$ (580,962)        | \$ (578,600)        | \$ (576,238)        | \$ (573,877)        | \$ (571,515)        | \$ (569,154)        |
| <b>Total Fixed Assets Net</b>               | <b>\$ 332,197</b>   | <b>\$ 334,559</b>   | <b>\$ 336,920</b>   | <b>\$ 339,282</b>   | <b>\$ 341,643</b>   | <b>\$ 344,005</b>   | <b>\$ 346,366</b>   | <b>\$ 348,728</b>   | <b>\$ 351,089</b>   | <b>\$ 353,451</b>   | <b>\$ 355,812</b>   |
| <b>Long Term Assets</b>                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Land  | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          | \$ 209,848          |
| <b>Total Other Assets</b>                   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   | <b>\$ 209,848</b>   |
| <b>Total Assets</b>                         | <b>\$ 3,934,384</b> | <b>\$ 3,743,001</b> | <b>\$ 3,972,724</b> | <b>\$ 3,698,914</b> | <b>\$ 3,839,638</b> | <b>\$ 3,043,499</b> | <b>\$ 3,953,743</b> | <b>\$ 3,937,897</b> | <b>\$ 3,621,242</b> | <b>\$ 4,068,395</b> | <b>\$ 3,805,157</b> |
| <b>Liabilities &amp; Fund Balance</b>       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Current Liabilities</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Accounts Payable-Short Term (Note 5)        | \$ 862,312          | \$ 690,213          | \$ 911,941          | \$ 624,290          | \$ 788,060          | \$ 82,898           | \$ 913,089          | \$ 869,775          | \$ 534,656          | \$ 979,758          | \$ 760,545          |
| Payroll Taxes, Benefits & Leave (Note 6)    | \$ 407,172          | \$ 386,895          | \$ 397,629          | \$ 407,987          | \$ 384,116          | \$ 302,793          | \$ 383,530          | \$ 419,067          | \$ 388,259          | \$ 390,431          | \$ 345,855          |
| <b>Total Current Liabilities</b>            | <b>\$ 1,269,484</b> | <b>\$ 1,077,108</b> | <b>\$ 1,309,570</b> | <b>\$ 1,032,277</b> | <b>\$ 1,172,177</b> | <b>\$ 385,691</b>   | <b>\$ 1,296,619</b> | <b>\$ 1,288,842</b> | <b>\$ 922,915</b>   | <b>\$ 1,370,189</b> | <b>\$ 1,106,400</b> |
| <b>Long Term Liabilities</b>                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Deferred Revenue (Note 7)                   | \$ 3,431            | \$ 3,519            | \$ 3,519            | \$ 6,001            | \$ 6,889            | \$ 6,889            | \$ 6,889            | \$ 4,922            | \$ 52,771           | \$ 52,771           | \$ 52,771           |
| Forum Cares (Note 8)                        | \$ 815              | \$ 814              | \$ 564              | \$ 564              | \$ -                | \$ -                | \$ -                | \$ -                | \$ 1,518            | \$ 1,518            | \$ 1,518            |
| <b>Total Long Term Liabilities</b>          | <b>\$ 4,246</b>     | <b>\$ 4,333</b>     | <b>\$ 4,083</b>     | <b>\$ 6,566</b>     | <b>\$ 6,889</b>     | <b>\$ 6,889</b>     | <b>\$ 6,889</b>     | <b>\$ 4,922</b>     | <b>\$ 54,289</b>    | <b>\$ 54,289</b>    | <b>\$ 54,289</b>    |
| <b>Fund Balance</b>                         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Net Assets - Unrestricted                   | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,641,126        | \$ 2,643,449        | \$ 2,643,449        | \$ 2,643,449        |
| Restricted Funds (Note 9)                   | \$ 20,048           | \$ 20,048           | \$ 19,048           | \$ 19,048           | \$ 19,048           | \$ 8,638            | \$ 7,638            | \$ 1,518            | \$ -                | \$ -                | \$ -                |
| Net Income (Note 10)                        | \$ (520)            | \$ 385              | \$ (1,104)          | \$ (103)            | \$ 397              | \$ 1,154            | \$ 1,470            | \$ 1,489            | \$ 589              | \$ 468              | \$ 1,019            |
| <b>Total Fund Balance</b>                   | <b>\$ 2,660,655</b> | <b>\$ 2,661,560</b> | <b>\$ 2,659,071</b> | <b>\$ 2,660,072</b> | <b>\$ 2,660,572</b> | <b>\$ 2,650,918</b> | <b>\$ 2,650,235</b> | <b>\$ 2,644,133</b> | <b>\$ 2,644,038</b> | <b>\$ 2,643,917</b> | <b>\$ 2,644,468</b> |
| <b>Total Liabilities &amp; Fund Balance</b> | <b>\$ 3,934,384</b> | <b>\$ 3,743,001</b> | <b>\$ 3,972,724</b> | <b>\$ 3,698,914</b> | <b>\$ 3,839,638</b> | <b>\$ 3,043,499</b> | <b>\$ 3,953,743</b> | <b>\$ 3,937,897</b> | <b>\$ 3,621,242</b> | <b>\$ 4,068,395</b> | <b>\$ 3,805,157</b> |



|   | YTD<br>7/01/18 to 5/31/19 | (Over) Under Total<br>Budget FY19 | % Total<br>Budget<br>Remaining | Revised Budget<br>FY18-19 | 05/31/19     | 04/30/19     | 03/31/19     | 02/28/19     | 01/31/19     | 12/31/18     | 11/30/18   | 10/31/18     | 09/30/18     | 08/31/18   | 07/31/18   |
|---|---------------------------|-----------------------------------|--------------------------------|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------|------------|------------|
| <b>STATEMENT OF REVENUES &amp; EXPENDITURES</b> |                           |                                   |                                |                           |              |              |              |              |              |              |            |              |              |            |            |
| <b>Revenues</b>                                 |                           |                                   |                                |                           |              |              |              |              |              |              |            |              |              |            |            |
| Grant Revenue                                   |                           |                                   |                                |                           |              |              |              |              |              |              |            |              |              |            |            |
| Grant Income/Scholarship Revenue                |                           |                                   |                                |                           |              |              |              |              |              |              |            |              |              |            |            |
| T.E.A.C.H. Scholarship                          | \$ 8,746,026              | 1,253,974                         | 12.54%                         | 10,000,000                | \$ 1,158,069 | \$ 583,096   | \$ 1,045,727 | \$ 954,236   | \$ 1,090,967 | \$ 749,260   | \$ 454,163 | \$ 967,487   | \$ 765,503   | \$ 595,397 | \$ 372,121 |
| Help Me Grow - Florida                          | 1,719,579                 | 514,378                           | 23.03%                         | 2,233,957                 | 322,217      | 127,146      | 112,278      | 276,970      | 194,376      | 53,984       | 212,923    | 54,989       | 175,568      | 101,642    | 87,485     |
| Children's Trust Scholarship                    | 511,808                   | 88,192                            | 14.70%                         | 600,000                   | 31,954       | 50,215       | 46,818       | 49,209       | 42,089       | 43,073       | 63,078     | 60,737       | 64,217       | 60,418     | -          |
| Children's Trust Registry                       | 315,053                   | 49,947                            | 13.68%                         | 365,000                   | 18,660       | 31,590       | 29,638       | 29,904       | 29,329       | 34,096       | 32,184     | 26,318       | 38,794       | 44,570     | -          |
| Children's Trust WAGE\$                         | 202,828                   | 47,172                            | 18.87%                         | 250,000                   | 4,254        | 8,453        | 32,081       | 20,588       | 3,512        | 66,382       | 2,266      | 4,398        | 43,759       | 12,705     | 4,430      |
| ELC Broward WAGE\$                              | 397,725                   | 53,242                            | 11.81%                         | 450,967                   | 39,869       | 48,586       | 32,212       | 39,009       | 55,028       | 57,523       | 8,963      | 34,435       | 8,427        | 66,120     | 7,553      |
| ELC Pinellas WAGE\$                             | 115,944                   | 134,056                           | 53.62%                         | 250,000                   | 21,582       | 22,342       | 5,703        | 51,952       | 14,365       | -            | -          | -            | -            | -          | -          |
| ELC Hillsborough WAGE\$                         | 332,832                   | 367,168                           | 52.45%                         | 700,000                   | 95,759       | 105,277      | 130,245      | 1,552        | -            | -            | -          | -            | -            | -          | -          |
| Palm Beach Registry                             | 154,961                   | 42,800                            | 21.64%                         | 197,761                   | 16,450       | 16,450       | 14,635       | 14,432       | 8,504        | 5,478        | 999        | 37,990       | 23,105       | 11,860     | 10,926     |
| DCF Training                                    | 171,062                   | 16,938                            | 9.01%                          | 188,000                   | 41,722       | 12,063       | 12,065       | 12,652       | 12,630       | 12,281       | 13,284     | 13,284       | 13,609       | 12,685     | 13,008     |
| ECCS Impact Project                             | 10,765                    | 2,985                             | 21.71%                         | 13,750                    | -            | -            | 3,750        | -            | 41           | 2,574        | -          | -            | 4,400        | -          | -          |
| Non-Continuing Grants Revenue                   | 221,202                   | (221,202)                         | 0.00%                          | -                         | -            | 5,946        | -            | -            | -            | -            | -          | 23,903       | 95,223       | 34,440     | 61,690     |
| Misc Grant Revenue                              | 173,849                   | (123,849)                         | -247.70%                       | 50,000                    | 99,408       | 4,167        | 4,167        | 4,167        | 9,167        | 4,167        | 4,167      | 4,167        | 4,167        | 29,283     | 6,821      |
| Total Grant Revenue                             | \$ 13,073,633             | \$ 2,225,802                      | 14.55%                         | \$ 15,299,435             | \$ 1,844,078 | \$ 1,025,900 | \$ 1,469,918 | \$ 1,454,672 | \$ 1,460,007 | \$ 1,028,818 | \$ 792,027 | \$ 1,227,708 | \$ 1,236,772 | \$ 969,100 | \$ 564,633 |
| Dues & Memberships                              | 25,089                    | 1,411                             | 5.33%                          | 26,500                    | 1,675        | 7,773        | 50           | 5,279        | 35           | 100          | 3,890      | 50           | 3,985        | 50         | 2,262      |
| Resources & Publications                        | 400                       | 1,100                             | 73.33%                         | 1,500                     | -            | -            | -            | -            | -            | -            | -          | -            | 400          | -          | -          |
| Communications/IT                               | 11,024                    | 1,476                             | 11.81%                         | 12,500                    | 5,424        | -            | -            | -            | 1,000        | -            | -          | 4,500        | -            | -          | -          |
| Interest & Dividend                             | 446                       | 54                                | 10.88%                         | 500                       | 52           | 6            | 35           | 48           | 50           | 27           | 53         | 17           | 50           | 55         |            |
| Shared Services/Misc Income                     | 33,273                    | (21,273)                          | -177.28%                       | 12,000                    | 1,012        | 7,983        | 2,960        | 1,250        | 1,000        | 1,000        | 1,780      | 1,296        | 1,000        | 6,009      | 7,983      |
| Total Revenues                                  | \$ 13,143,864             | \$ 2,208,571                      | 14.39%                         | \$ 15,352,435             | \$ 1,852,240 | \$ 1,041,661 | \$ 1,472,963 | \$ 1,461,349 | \$ 1,461,092 | \$ 1,030,944 | \$ 797,750 | \$ 1,233,607 | \$ 1,242,174 | \$ 975,210 | \$ 574,873 |
| <b>Expenses</b>                                 |                           |                                   |                                |                           |              |              |              |              |              |              |            |              |              |            |            |
| Salaries  | \$ 2,781,210              | \$ 326,550                        | 10.51%                         | \$ 3,107,760              | \$ 262,925   | \$ 252,432   | \$ 231,267   | \$ 243,296   | \$ 230,977   | \$ 235,282   | \$ 235,592 | \$ 267,877   | \$ 249,401   | \$ 324,195 | \$ 247,965 |
| Payroll Taxes & Benefits                        | 659,726                   | 110,239                           | 14.32%                         | 769,965                   | 59,601       | 61,010       | 57,996       | 62,099       | 58,688       | 56,244       | 56,810     | 57,219       | 59,888       | 63,888     | 66,282     |
| Contract Labor                                  | 12,205                    | 4,070                             | 25.01%                         | 16,275                    | 140          | 1,040        | 1,040        | 1,290        | 1,090        | 2,005        | 175        | 1,090        | 1,040        | 2,180      | 1,115      |
| Professional Fees                               | 38,450                    | (1,500)                           | -4.06%                         | 36,950                    | -            | -            | -            | -            | -            | 19,350       | 15,050     | 1,550        | -            | 2,500      | -          |
| Public Awareness/Outreach (HMG)                 | 50,842                    | (18,842)                          | 0.00%                          | 32,000                    | 1,740        | -            | 9,521        | 3,407        | 5,638        | 2,950        | -          | 2,155        | 16,956       | 7,394      | 1,081      |
| Employee Recruitment                            | -                         | 5,500                             | 0.00%                          | 5,500                     | -            | -            | -            | -            | -            | -            | -          | -            | -            | -          | -          |
| Travel/Training Expense                         | 153,606                   | 86,394                            | 36.00%                         | 240,000                   | 39,755       | 16,607       | 4,437        | 9,167        | 483          | 4,762        | 5,881      | 7,123        | 25,334       | 17,377     | 22,681     |
| Rent  | 115,367                   | 7,383                             | 6.01%                          | 122,750                   | 9,715        | 10,235       | 10,432       | 10,502       | 11,410       | 10,272       | 9,857      | 9,365        | 11,054       | 11,243     | 11,283     |
| Utilities & Maintenance                         | 89,546                    | 9,074                             | 9.20%                          | 98,620                    | 7,213        | 10,626       | 6,353        | 8,814        | 8,695        | 7,130        | 8,375      | 8,127        | 7,450        | 8,223      | 8,541      |
| Business Insurance                              | 22,682                    | 3,818                             | 14.41%                         | 26,500                    | 6,352        | 489          | 416          | 0            | 3,880        | 581          | 509        | 2,283        | 2,263        | 3,670      | 2,260      |
| Equipment & Furniture                           | 17,470                    | 10,895                            | 38.41%                         | 28,365                    | 1,555        | -            | 2,308        | 1,077        | 202          | 1,063        | 279        | 246          | 180          | 180        | 10,381     |
| Supplies  | 107,795                   | 19,205                            | 15.12%                         | 127,000                   | 2,903        | 5,487        | 8,022        | 23,930       | 12,343       | 16,712       | 8,180      | 6,521        | 7,082        | 4,218      |            |
| Depreciation                                    | 25,976                    | 6,024                             | 18.82%                         | 32,000                    | 2,362        | 2,362        | 2,362        | 2,362        | 2,362        | 2,362        | 2,362      | 2,362        | 2,362        | 2,362      |            |
| Staff Development                               | 7,000                     | 25,750                            | 78.63%                         | 32,750                    | 395          | -            | -            | 55           | (227)        | -            | 30         | 2,565        | 1,887        | 490        | 1,805      |
| Scholarships & WAGE\$ Supplements               | 7,632,634                 | 1,258,366                         | 14.15%                         | 8,891,000                 | 1,085,768    | 571,781      | 1,056,786    | 852,941      | 961,528      | 662,853      | 253,241    | 844,245      | 730,265      | 463,489    | 149,759    |
| Printing, Postage, Other                        | 45,830                    | 9,170                             | 16.67%                         | 55,000                    | 1,741        | 4,087        | 5,739        | 9,056        | 5,161        | 11,511       | 3,574      | 1,192        | 1,725        | 1,751      | 293        |
| Contractual (including HMG Affiliates)          | 1,384,042                 | 345,958                           | 20.00%                         | 1,730,000                 | 370,979      | 104,018      | 77,286       | 233,855      | 159,621      | 2,500        | 189,323    | 17,148       | 125,728      | 59,757     | 43,828     |
| Total Expenses                                  | 13,144,383                | 2,208,952                         | 14.38%                         | 15,352,435                | 1,853,144    | 1,040,173    | 1,473,984    | 1,461,849    | 1,461,849    | 1,031,260    | 797,769    | 1,232,706    | 1,242,054    | 975,760    | 573,854    |
| Not Revenue Over Expenses                       | (520)                     | (520)                             | 0.00%                          | -                         | (904)        | 1,488        | (1,001)      | (500)        | (757)        | (316)        | (19)       | 901          | 121          | (551)      | 1,019      |

\* Contract begins 8/1/18

\*\* Contract begins 12/1/18



**Notes to Financial Statements**  
**5/31/2019**  
**(Unaudited)**

**1. Cash Accounts - Cash in Bank - \$76,466**

This balance is composed of operating, money market and AFLAC conduit accounts.

**2. Other Cash Accounts - \$4,806**

This amounts represent monies held in our PayPal accounts.

**3. Accounts Receivable - Grants - \$3,230,942**

This account balance consists of receivables from OEL for \$1,317,700, Child Care Training & Accreditation Provider Evaluation Services (CCTAPES) for \$65,067, Children's Trust Scholarship for \$141,894, Children's Trust Registry for \$112,937, Children's Trust WAGE\$ for \$92,380, Palm Beach Registry for \$29,022, ELC Broward WAGE\$ for \$159,700, ELC Hillsborough WAGE\$ for \$332,832, ELC Pinellas WAGE\$ for \$21,583, Help Me Grow for \$561,641, ERS CLASS Assessments for \$102,200 and others for \$293,986.

**4. Accounts Receivable - Others - \$20,769**

This balance consists of amounts due from various ELC's and other customers related primarily to IT/Communications work. All receivables represent current amounts whose collectability is certain.

**5. Accounts Payable - \$862,312**

The balance is the result of our payment procedures where as most vendors, including T.E.A.C.H. recipients, are paid by aging such accounts 30 days.

**6. Payroll, Payroll Taxes, Benefits & Leave - \$407,172**

This account balance represents accrued payroll, benefits, payroll taxes and PTO which are adjusted monthly.

**7. Deferred Revenue - \$3,431**

This amount represents unspent Learn the Signs Act Early (LTSAE) Ambassador Stipend funds related to the Help Me Grow contract. They are expected to be spent in the coming year.

**8. Forum CARES - \$815**

The Children's Forum has joined #GivingTuesday, a global day of giving that harnesses the collective power of individuals, communities and organizations to encourage philanthropy and to celebrate generosity worldwide. As of 10/31/2018 the program had available funds of \$1,518. The Forum Cares program donated all of their funds to the Florida Early Learning Disaster Relief (FELDR).

**9. Restricted Funds FELDR - \$20,048**

The Florida Early Learning Disaster Relief (FELDR) effort is a collaboration of state and national partners which was created to assist child care centers, Head Start programs, and family care homes that are in danger of closing, temporarily or permanently, due to a natural disaster, by meeting some of their most pressing needs on a short-term basis. The collaborative partners will determine how these funds will be distributed after a disaster.

**10. Net Income (Loss) - (\$520)**

Net income (loss) is the result of accruals both revenue and expenses to properly match the reporting period ending May 31, 2019.



Selected Financial Ratios  
5/31/2019

| <u>Description</u> | <u>Formula</u>   | <u>Actuals</u>                      | <u>Ratios</u> |
|--------------------|--|-------------------------------------|---------------|
| Quick Ratio        | $\frac{\text{Cash + Receivables}}{\text{Total Current Liabilities}}$ | $\frac{\$ 3,332,983}{\$ 1,269,484}$ | 2.6255        |

Measures a company's short-term solvency. Shows the dollars of liquid assets (convertible into cash within 30 days) available to cover each dollar of current debt. The higher the ratio the better. Excludes inventories and pre-paid expenses since these current assets are the least liquid of the current assets.

|               |  |                                     |        |
|---------------|--|-------------------------------------|--------|
| Current Ratio | $\frac{\text{Total Current Assets}}{\text{Total Current Liabilities}}$ | $\frac{\$ 3,392,339}{\$ 1,269,484}$ | 2.6722 |
|---------------|--|-------------------------------------|--------|

Measures a firms short-term solvency. It indicates the extent to which the claims of short-term creditors are covered by assets that are expected to be converted to cash within the next year of next operating cyclcy. The general standard of excellence is 2 to 1 or better.

|                 |  |                                  |        |
|-----------------|--|----------------------------------|--------|
| Liquidity Ratio | $\frac{\text{Cash}}{\text{Current Liabilities}}$ | $\frac{\$ 81,273}{\$ 1,269,484}$ | 0.0640 |
|-----------------|--|----------------------------------|--------|

This is an indication of a firm's immediate liquidity. The general standard of excellence is 2 to 1.

|                                  |   |                                     |        |
|----------------------------------|---|-------------------------------------|--------|
| Current Liabilities to Net Worth | $\frac{\text{Total Current Liabilities}}{\text{Net Worth}}$ | $\frac{\$ 1,269,484}{\$ 2,660,655}$ | 0.4771 |
|----------------------------------|---|-------------------------------------|--------|

Contrasts the amounts due creditors within a year with the fund balance. A lower ratio means less risk.

|                                |   |                                     |        |
|--------------------------------|---|-------------------------------------|--------|
| Total Liabilities to Net Worth | $\frac{\text{Total Liabilities}}{\text{Net Worth}}$ | $\frac{\$ 1,273,729}{\$ 2,660,655}$ | 0.4787 |
|--------------------------------|---|-------------------------------------|--------|

Compares the company's total indebtedness to the fund balance. High debt levels can indicate great risk therefore, a ratio below 1 is preferable.

|                           |  |                                   |        |
|---------------------------|--|-----------------------------------|--------|
| Fixed Assets to Net Worth | $\frac{\text{Net Fixed Assets}}{\text{Net Worth}}$ | $\frac{\$ 332,197}{\$ 2,660,655}$ | 0.1249 |
|---------------------------|--|-----------------------------------|--------|

Reflects the portion of net worth that consists of fixed assets. Generally, a small ratio is desired.