Working Capital Comparison Report

Example Community Dance Company

FY 2020

Comparison Group
Average
Comparison Group
Median**

<table>
<thead>
<tr>
<th>Current assets - unrestricted</th>
<th>FY 2020</th>
<th>FY 2020</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>$145,448</td>
<td>$120,498</td>
<td>$161,747</td>
<td></td>
</tr>
<tr>
<td>Current liabilities - unrestricted</td>
<td>$45,781</td>
<td>$18,918</td>
<td>$9,840</td>
</tr>
<tr>
<td>Working capital - unrestricted</td>
<td>$99,667</td>
<td>$143,579</td>
<td>$151,907</td>
</tr>
<tr>
<td>Months of working capital</td>
<td>5.6</td>
<td>12.2</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Notes:

Interpretation: The unrestricted resources available for operations. Adequate working capital provides financial strength and flexibility to your organization, the ability to meet obligations as they come due, and the ability to take more risks, knowing there is a cushion to fall back on.

Months of working capital represents the number of months an organization could operate at current average monthly expense levels with existing working capital.

Indicators: Working capital lets an organization smooth out the bumps in the timing of cash coming in and cash going out to keep operations going. This liquidity allows an organization to pay its bills on time and to pay obligations such as payroll on time.

Negative working capital means that the organization is experiencing periods of cash flow crunch and borrowing funds (e.g., dipping into deferred revenue, delaying payables, taking out loans, tapping lines of credit, etc.) to meet daily operating needs.

Key Questions:

Are working capital levels proportionate to your organization’s business model and strategic plans and goals?

Is your organization planning significant growth or investments? If so, it will likely need a higher level of working capital than it has held in the past.

Does your organization have the ability to increase working capital, or reverse a working capital deficit by increasing unrestricted revenue, reducing expenses, or both?

** For any row where fewer than half the organizations in the pool reported data, it is possible for the median value to be blank.
This graph shows the number of months an organization could operate at current average monthly expense levels with existing working capital.

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<table>
<thead>
<tr>
<th>Criteria</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>'Example Community Dance Company'</td>
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</tbody>
</table>

Comparison Group:
- Annual Budget: $150,000 - $300,000
- Fiscal Year: 2020
- NTEE Classification: Dance

### Subject Organizations

Example Community Dance Company

### Comparison Organizations