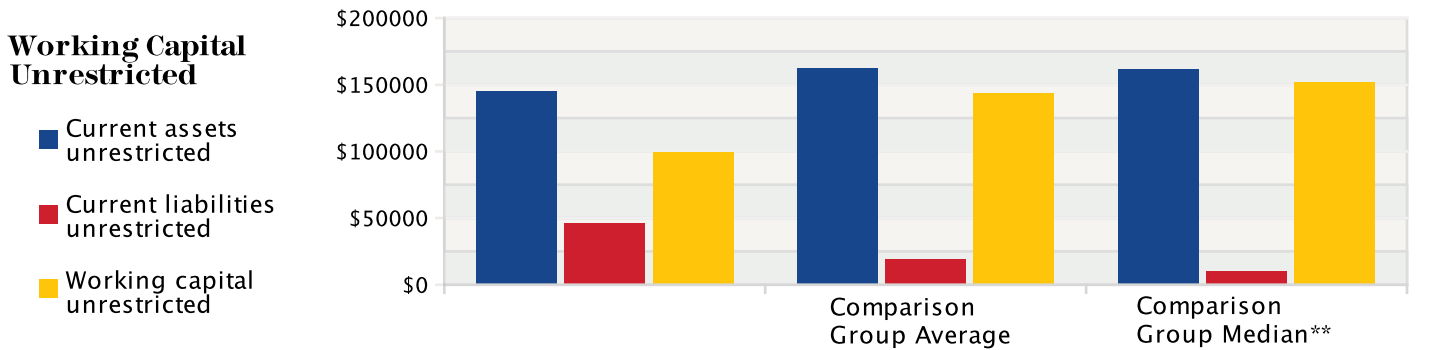


Working Capital

Formula: $\text{Current Assets} - \text{Current Liabilities} = \text{Working Capital}$

Current assets are cash or assets which will be converted to cash within one year such as cash and cash equivalents (including those received from restricted donations), accounts receivable, inventory and prepaid expenses. Excludes long-term investments.

Current liabilities are obligations that must be paid/delivered within one year, such as accounts payable, accrued expenses, deferred revenues (including future ticket sales), credit line payables and any portion of long-term debt due within one year.



	FY 2020	Comparison Group Average	Comparison Group Median**
Current assets - unrestricted	\$145,448	\$162,498	\$161,747
Current liabilities - unrestricted	\$45,781	\$18,918	\$9,840
Working capital - unrestricted	\$99,667	\$143,579	\$151,907
Months of working capital	5.6	12.2	3.9

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:

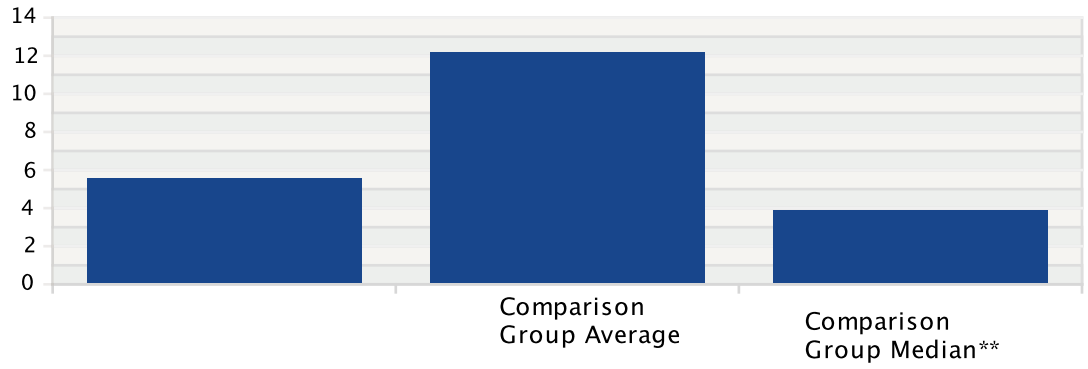
Are working capital levels proportionate to your organization's business model and strategic plans and goals?

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.

**Months of
Unrestricted
Working Capital**



This graph shows the number of months an organization could operate at current average monthly expense levels with existing working capital.

** For any row where fewer than half the organizations in the pool reported data, it is possible for the median value to be blank.

Categories**Criteria**

'Example Community Dance Company'

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

Subject Organizations

Example Community Dance Company

Comparison Organizations**30**

10 Hairy Legs, 3 Point 0 - Studio T Arts & Entertainment, ABD Productions / Anne Bluethenthal & Dancers, Abhinaya Dance Company of San Jose, Aerial Dance Chicago, Amy Seiwert's Imagery, Cashion Cultural Legacy, Cerqua Rivera Dance Theatre, Chicago Tap Theatre, Dance of Asian America, Dancefusion, Flyaway Productions, Friends of Olympia Station, Inc, Happendance, Inc., Hope Mohr Dance, Kun-Yang Lin/Dancers, Los Angeles Choreographers and Dancers Inc., MashUp Contemporary Dance Company, Mutual Dance Theatre and Arts Center, Na Lei Hulu I Ka Wekiu Hula Halau, PearlArts Movement and Sound, Regina Klenjoski Dance Company, San Antonio Metropolitan Ballet, sjdanceco, The Dance Resource Center of Greater Los Angeles, Uptown Dance Company, Versa-Style Dance Company, Visceral Dance Chicago NFP, Wellspring/Cori Terry & Dancers, ZGD Inc.

487938