

Financial Statements



Understanding Financial Statements

Balance Sheet

An overview of what you have vs. what you owe.

A Balance Sheet shows the money in each account, along with assets and liabilities.

What to look for on your Balance Sheet:

cash balances for your co-op's operating, tax escrow, and capital reserves accounts.

General Ledger

A record of all transactions organized by account.

What to look for on your General Ledger:

Tax Escrow: how much is being deposited into this account?

Capital Reserves: how much money is being deposited and withdrawn from this account?

Budget Comparison Report

A budget comparison report compares ACTUAL income and expenses to the BUDGETED amounts.

This report is helps identify opportunities to improve before they become larger issues.

What to look for on your Budget Comparison Report:

- Total income
- Total expenses
- Net operating income

Using this information the treasurer should be able to identify and explain to members any surplus or deficit and changes to income or expenses.



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Account Receivable

A report that shows you how much money is owed to the co-op (late lot fees).

This report lists names and addresses, and balances for each resident.

Use this report to analyze late lot fees and create an action plan:

- Are there residents repeatedly on list?
- Are rule violations being sent?
- Does the board need to establish payment plans with any residents to address balances?

NOTE: this contains personal information and should be discussed during executive session.

Other Items to Report On

These are not found in financial statements, but help provide additional clarity.

- # of occupied homes
- # of vacant homes
- # of vacant lots
- # of homes for sale
- Pending applications

NOTE: the board should never provide personal, private, or legal information to membership, the members do have a right to know the stats listed above.

NOTE: Bookkeeping practices can vary. If you have questions, please contact your ROC-NH coach or bookkeeper.