Net Worth Statement

Your banker will want to review your total net worth. This will help your lender understand your current financial position, and it is an important tool in determining how to restructure your payments.

Business Assets	**Cost/ Basis**	**Market Value**	**Business Liabilities**	**Market Value**
Checking & savings accounts			Accounts payable	
			Taxes due	
Items held for sale			Current notes and credit lines	
Prepaid expenses			Accrued interest - short term loans	
Supplies on hand			**-**Term debt	
Accounts receivable			Term debt principal due in 12 mo.	
Other current assets			Other current liabilities	
Total Current Assets			**Total Current Liabilities**	
Vehicles			Term debt principal due after 12 mo.	
Machinery and equipment			Leases and contracts, remainder	
Buildings/improvements				
Real state				
Securities, certificates				
Other fixed assets			Other fixed liabilities	
Total Fixed Assets			**Total Fixed Liabilities**	
a. Total Business Assets			**b. Total Business Liabilities**	
c. Business Net Worth (a – b)			Current Assets (market) = ______Current ratio Current Liabilities	
d. Net Worth Last Year			Total Liabilities = ___________ Debt to Total Assets (market) asset ratio	
e. Change (c – d)				

Personal Assets		**Personal Liabilities**	
Bank accounts, stocks, bonds		Credit card, charge accounts, other loans	
Automobiles, boats, etc.		Automobile loans	
Household goods, clothing		Other loans, taxes due	
Real estate		Real estate, other long-term loans	
f. Total Personal Assets		**g. Total Personal Liabilities**	
h. Total Personal Net Worth (f-g)		Total Personal Liabilities = ________ Debt to Personal Assets asset ratio	
Total Net Worth, Market Value (c + h)			

Cash Flow Projection

Your cash flow project differs from your net worth because it measures how much money you have on hand as well as how quickly you are able to generate more cash income. This statement is useful in evaluating your ability to repay any restructured loan.

ITEM	**$**
Beginning cash on hand	
A1. Operating income	
A2. Operating expenses	
A3. Net cash from operations (A1 – A2)	
B1. Capital asset sales	
B2. Capital asset purchases	
B3. Net cash from investing (B1 – B2)	
C1. Non-business cash income	
C2. Non-business uses of cash	
C3. Net Non-business inflow or outflow (C1 – C2)	
Net cash before financing = A3 + B3 + C3	
D1. New loans and credit	
D2. Principal repayments	
D3. Net cash from financing (C1 – C2)	
Ending Cash on hand	
E. Balance: Beginning cash on hand + A3 + B3 + C3 + D3 - Ending cash on hand = Funds unaccounted for (should be 0)	

Adapted from *Assessing the Financial Feasibility of Your Value-Added Business* by Geoff Benson, Ph.D., Department of Agricultural and Resource Economics, N.C. State University