“Ratios Ratios Ratios Ratios”
¡Gracias!
Presentation – Professional Highlights

• 19 years – Owner of a Public Accounting practice in San Juan, Puerto Rico

• AICPA Peer Review Program Participation
  – Reviewed Firm

• 2008 Recognition Puerto Rico Society of CPA – Distinguished Services

• 2013 Recognition Caribbean Business 40 under 40

• Involvement in the Cooperative Movement, specially Housing Cooperative
  – NAHC since 2011

• Volunteer Work – Member of various Board of Directors of Non Profit Entities (NPO)

• Personal: Music / Sports / Podcasting
Housing Coops in Puerto Rico

- Thirteen (13)

- Total units – 3,344

- Assets (books) - $42,509,774

- Cost of property & equipment, net $24,821,779
Housing Coops in Puerto Rico (continued)

- Cash, Operating - $2,245,342
- Accounts receivable, net - $402,519
- Cash, Reserves - $10,417,024
- Other assets - $4,623,111
Housing Coops in Puerto Rico (continued)

• All Coops have paid-off their mortgage (HUD)

• Liabilities - $1,281,252
  – Mostly current

• Net assets $38,372,536
Housing Coops in Puerto Rico (continued)

- Total annual income - $14,783,658
- Total annual carrying charges - $12,783,053
  - About 86% of total annual income
- Vacancy - $529,245
  - About 4.14% of total annual carrying charges
- Bad debt expense - $28,821
Ratios

• Definition:
  
  – is a relative magnitude of two selected numerical values taken from an entity’s financial statements.

  – Often used in accounting to try to evaluate the overall financial condition of an organization.
Ratios

• Concepts
  – Relationship
  – Comparison / Benchmarking
  – Trend
  – Results
  – Expectations
  – Performance Analysis
Information needed

• Annual financial statements (audited)
  – Balance Sheet
  – Income Statement
  – Cash Flows
  – Notes to financial statements

• Annual Operating Budget
Reference

Ratios

• Financial Ratios
  – Liquidity
  – Profitability
  – Activity

• Operational Ratios (non-financial data)
  – Maintenance –
    • Orders per year
    • Time per service order
Exhibits

Exhibit A - Benchmarking
Exhibits

Exhibit B – Trends / Multi-Year
### BALANCE SHEET RATIOS

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<tr>
<th>Current ratio</th>
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RATIO ANALYSIS SPREADSHEET - BENCHMARKING

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Current Ratio Trend
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