

Definitions

1. **Current Assets** – Cash, marketable securities, accounts receivable – trade (net), inventory (net) and other current assets.
2. **Account/Trade Receivables** – All current accounts and notes and deferred notes, less reserve for bad debts.
3. **Inventory-Gross** – Value of finished goods, work in progress and raw materials.
4. **Fixed Assets** – Net value of all land, buildings, machinery, equipment, fixtures, furniture, etc.
5. **Total Assets** – All current assets, receivables, inventory, fixed assets and amounts due from officers and employees, investments, deferral/prepaid expenses, cash surrender value of life insurance policies and others.
6. **Current Liabilities** – Bank notes payable, other trade notes payable, accounts payable-trade, other accounts payable, due to officers and employees, taxes-income other, accrued expenses, long term debt due within one year, other current liabilities.
7. **Long Term Liabilities** – Notes, bonds, and mortgages and other accounts coming due in one year or more.
8. **Total Liabilities** – All current, long term and other liabilities.
9. **Net Sales** – All sales less discounts, charge-backs and allowances.
10. **Gross Profit** – Net sales less the cost of goods sold.
11. **Net Operating Profit** – Gross profit less: expenses, (selling, general and administrative, interest, depreciation), officer's compensation, provision for bad debt and other expenses.
12. **Net Profit or Loss** – Net operating profit, plus other income, less federal, state and local taxes.
13. **Gross Revenues** – Value of all sales and services provided prior to deducting discounts, charge backs and allowances. This amount is requested to determine Applicant's rights and Creditor's obligations under the Equal Credit Opportunity Act. The term has no exact accounting definition and Creditor will rely on value provided by Applicant.