

Explanation of an Income and Expense Report

An Income and Expense report is used to explain what kind of income and expenses there have been in a fiscal year. A fiscal year is the twelve months that are the basis of a business's tax year. This may or may not match a calendar year and depends on a number of different things which are not really important here because our fiscal year does match the calendar year.

The top of the report shows how much income has been received from which sources each month and totals it up for the whole year.

The bottom part of the report shows the dollar amounts for each kind of payment the organization has made. These expenses are the costs of existing, what the organization has to do to operate.

If the Income for a month is greater than the expenses for a month, that is nice. In a non-profit business it is not considered a "profit," but it means that the organization has enough funds to be able to do what it plans and maybe even add some more things, or keep the extra money in reserve for a month where the income does not exceed the expenses so that things balance out.

If the income for the whole year (shown as the Total Income in the Total column of our report) exceeds the expenses, it means we had enough money to exist as planned. If the income does not exceed the expenses for the whole year, it means we either have to use money gathered in previous years (shown on the report at the Carry Forward from 2016), or we have a problem and cannot pay our bills.

The two lines at the bottom of the screen (Income/Loss and Available Cash) show whether we had more income in a month than expenses or less. If the number in the Income/Loss row is negative, it means we didn't bring in enough donations to cover the expenses for that month. If the number is positive, then we received more donations than expenses.

The available cash shows the amount that was left over at the end of the previous year (2016) added to the total income for the current year (2017). If this number is negative, there is a problem. We cannot pay our bills. If the number is positive, we continue to exist.

What you can learn from the Income and Expense report is how much it costs to run the House of Netjer. How much it is costing us to do a particular thing such as retreat or selling Tawy.

If you look at the line in the expense section named Nisut's Salary, you can see how much we have been able to pay the Nisut (AUS) for the year. It can help us understand why the Nisut (AUS) needs to work outside of the House of Netjer to pay her bills.

If you see an expense amount shown on the report that you would like to know about, we can explain to you what was paid for and why. The report allows you to understand where the money is going and what is actually happening even if you are not at every event.

If you have any questions, please email awibemhethert@gmail.com and I will be happy to research them.

Thank you.