DEFINITIONS

Without Restrictions

• Change in net assets (revenue less expenses): revenues, gains, expenses, or reclassifications that change the amount of net assets without restrictions during the period (may also be called the Excess or Deficit for the year).

• Net assets or fund balances without restrictions: primarily the part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations. This can be found on the IRS Form 990.

With Restrictions

• Change in net assets (revenue less expenses): most increases come from contributions that have donor-imposed restrictions or that donors stipulate must be held in perpetuity. If restrictions have been satisfied, funds are reclassified to net assets without restrictions (decrease in net assets with restrictions).

• Net Assets: primarily the part of net assets from contributions and other inflows of assets limited by donor-imposed stipulations. This can be found on the IRS Form 990.

Net Assets: The residual difference between assets and liabilities (may also be called Fund Balance).