

4.5 Consider the following balance sheet:

BestCare HMO Balance Sheet June 30, 2011 (in thousands)	
Assets	
Current Assets:	
Cash	\$2,737
Net premiums receivable	821
Supplies	387
Total current assets	<u>\$3,945</u>
Net property and equipment	<u>\$5,924</u>
Total assets	<u>\$9,869</u>
Liabilities and Net Assets	
Accounts payable—medical services	\$2,145
Accrued expenses	929
Notes payable	382
Total current liabilities	<u>\$3,456</u>
Long-term debt	<u>\$4,295</u>
Total liabilities	<u>\$7,751</u>
Net assets—unrestricted (equity)	<u>\$2,118</u>
Total liabilities and net assets	<u>\$9,869</u>

- How does this balance sheet differ from the one presented in Exhibit 4.1 for Sunnyvale?
- What is BestCare's net working capital for 2011?
- What is BestCare's debt ratio? How does it compare with Sunnyvale's debt ratio?