

Capital structure informs us about debt level in an entity. Debt is known as foreign capital. Equity are an own money of organization or own money of the entity owner. When debt is increasing, the financial risk is increasing also. Organizations that want to realize their mission should avoid the risk. They mainly should use equity to minimize level of threat to the mission that is realized by nonprofit organization. Research should find the answer about the motifs of nonprofit organizations in their decisions about level of debt financing and if that is sufficient to better the theory of finance. The aim of the project is also to know how much our knowledge about nonprofit organization capital structure theory.