

operations and our ability to manage costs and working capital successfully. Additionally, our cash flow generation ability is subject to general economic, financial, competitive, legislative and regulatory factors and other factors that are beyond our control. We cannot assure you that our business will generate cash flow from operations in an amount sufficient to enable us to fund our liquidity needs. Further, our capital requirements may vary materially from those currently planned if, for example, our revenues do not reach expected levels, or we have to incur unforeseen capital expenditures and make investments to maintain our competitive position. If this is the case, we may seek alternative financing, such as selling additional debt or equity securities, and we cannot assure you that we will be able to do so on favorable terms, if at all. Moreover, if we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. If we issue additional equity or convertible debt securities, existing stockholders may experience dilution, and such new securities could have rights senior to those of our common stock. These factors may make the timing, amount, terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth or otherwise require us to forego growth opportunities and could materially adversely affect our business, financial condition and results of operations.

The following table sets forth, for the periods indicated, our working capital:

	For the Twelve Months Ended December 31,	
	2019	2018
	(Dollars in thousands)	
Cash and cash equivalents	9,472	7,554
Accounts receivable, net of allowance for doubtful accounts	18,581	12,327
Inventories, net	12,542	9,317
Prepaid expenses	3,276	1,078
Other current assets	10,453	682
Accounts payable	(18,668)	(9,166)
Accrued expenses	(22,133)	(9,051)
Current operating lease liabilities	(1,185)	—
Total Working Capital	<u>\$ 12,338</u>	<u>\$ 12,741</u>

Working Capital consists of current assets net of current liabilities. Working capital decreased \$0.4 million to \$12.3 million at December 31, 2019 compared with \$12.7 million at December 31, 2018. The decrease was primarily a result of an increase of cash, accounts receivable, and inventory offset by an increase in accounts payable, accrued expenses and current operating lease liabilities.

We normally carry three to four weeks of finished goods inventory. The average duration of our accounts receivable is approximately 25 days.

For the year ended December 31, 2019 our capital resources consisted of primarily \$9.5 million cash on hand and \$33.0 million available under our credit facilities, net of \$2.0 million reserved for two letters of credit. For the year ended December 31, 2018, our capital resources consisted primarily of \$7.5 million cash on hand and \$30.0 million available under our credit facilities. The Credit Facilities will mature in May 2024.

We borrowed \$72.3 million under our credit facilities during 2019, of which \$18.5 million was repaid prior to the end of the year. As of December 31, 2019, we had \$54.5 million of debt outstanding (including \$0.7 million of debt issuance costs) under our credit facilities. There was no debt outstanding under the credit facilities as of December 31, 2018.