

# **BALANCE SHEET**

**How to present ?**

**How to write ?**

**Liabilities = right side or downside?**

# BALANCE SHEET

A financial statement listing a company's assets (what it owns) and liabilities (what it owes) **as of a specific date**, usually the last day of a company's fiscal quarter. The difference between a company's assets and liabilities is termed its **net worth or shareholder's equity or equity for NPO**.

# REMEMBER

- **Accounting equation**
- **$A = L + C$**
- **Assets = Liabilities + Capital**
- **From the exercise yesterday:**
- **Bank + Invest + Buil. = A/P + Mort + Cap**
- **25 + 100 + 150 = 0 + 100 + 175**

# With the figures

## Balance Sheet

- **First part: THE NAME**
- **Second part: Assets**
- **Third part: Liabilities**

# FIRST PART

- **First part: THE NAME**
- **Marist Brothers of Canada**
- **Balance Sheet**
- **As at July 1 2003**

# Second & Third parts

- **ASSETS**

- **Bank**                    **25**
- **Investments**    **100**
- **Buildings**            **150**
  
- **Total**                    **275**

- **LIABILITIES**

- **Acc.payable**            **0**
- **Mortgage**              **100**
- **Capital**                **175**
  
- **Total**                    **275**

# Typical – Balance Sheet

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- **The Balance Sheet should be presented in comparaisn with YEAR-1**
- **First column: 2004**
- **Second column: 2003**

# Using the same figures

<b>• ASSETS</b>	<b>2004</b>	<b>•</b>	<b>2003</b>
<b>• Bank</b>	<b>0</b>	<b>•</b>	<b>25</b>
<b>• Investments</b>	<b>85</b>	<b>•</b>	<b>100</b>
<b>• Buildings</b>	<b>230</b>	<b>•</b>	<b>175</b>
<b>• Total</b>	<b>315</b>	<b>•</b>	<b>275</b>



# Using the same figures

<b>LIABILITIES</b>	<b>2004</b>		<b>2003</b>
<b>Account p.</b>	<b>7</b>		<b>0</b>
<b>Mortgage</b>	<b>80</b>		<b>100</b>
<b>Capital</b>	<b>228</b>		<b>175</b>
<b>Total</b>	<b>315</b>		<b>275</b>

# Where are the Liabilities ?

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- **Using comparison with Y-1 The Liabilities won't fit at the right**
- **The best presentation will place the Liabilities & Capital after the ASSETS.**