# Balance Sheet

*Directions:*

Read the narrative below. Then fill out the balance sheet on the following page to discover if the company's assets balance out its liabilities and equity.

You own Company X. When you started the company, you initially invested $12,000. You also borrowed $12,000 through a five-year (long-term) loan, of which you have paid back $2,018. You have retained $1,291 in earnings to be reinvested in the company, and you decided to put $1,000 of it aside for a long-term investment. The company owns land and a building worth $8,878 and equipment worth $4,230. As of today, the company has $8,250 in cash, $1,225 in inventory, and is due to receive accounts worth $675. However, the company owes its suppliers $485 and has a $500 loan to pay off in the next six months.

# Balance Sheet



| | | |
|---|---|---|
| Assets | | |
| Current Assets | | |
| | Cash | |
| | Accounts receivable | |
| | Inventory | |
| Long-Term Assets | | |
| | Long-term investments | |
| | Property, land & equipment | |
| | Total Assets | |

| | | |
|---|---|---|
| Liabilities & Owner's Equity | | |
| Current Liabilities | | |
| | Accounts payable | |
| | Short-term loans | |
| Long-Term Liabilities | | |
| | Long-term loans | |
| | Total Liabilities | |
| Owner's Equity | | |
| | Initial investment | |
| | Retained earnings | |
| | Total Equity | |
| Total Liabilities and Owner's Equity | | |

Does it balance?