TASK – BALANCE SHEET

Company Magic Strawberry produces strawberry ice-cream. The have 2 cars for delivering goods and material, each has actual value 20 000 USD. The company owns machinery for cooling and mixing the creams – the value is 50 000 USD. Today they have milk, strawberries and other material in stock – 1 500 USD and finished ice-creams – 2 000 USD. Previous month company sold ice-cream to stabile customers and has accounts receivable – 3 500 USD. At the same time, they have cash – 500 USD. There are 2 owners, each invested 25 000 USD to the business, but as it was not enough, company had to take a bank loan – 15 000 USD. Retained earnings were 20 000 USD, accounts payable 10 000 USD and today accrued salaries are 2 500 USD.

Prepare a basic balance sheet:

1. Determine fixed assets
2. Determine current assets
3. Determine owners` equity
4. Determine liabilities
5. Determine total assets and total liabilities and owners` equity