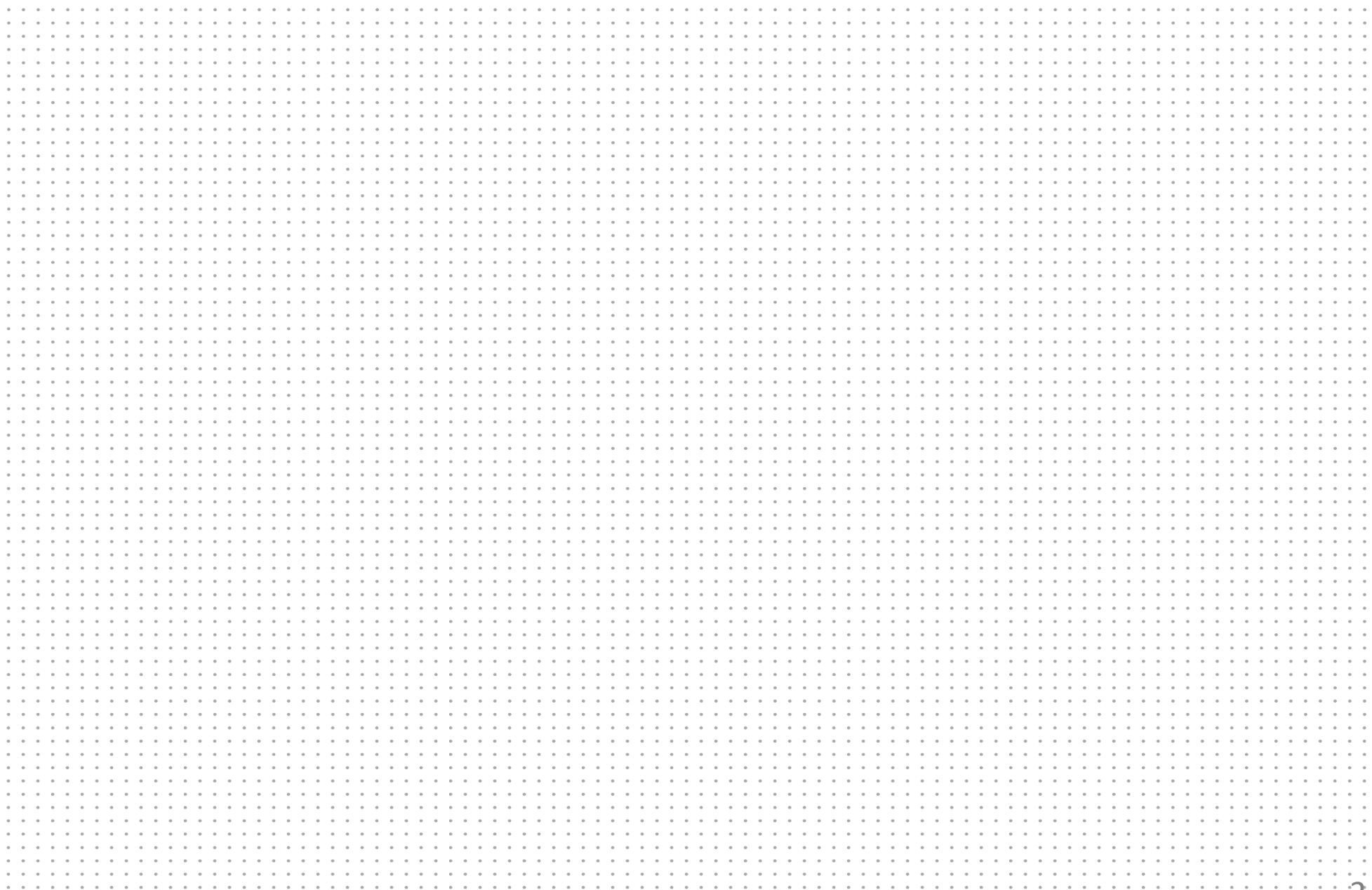
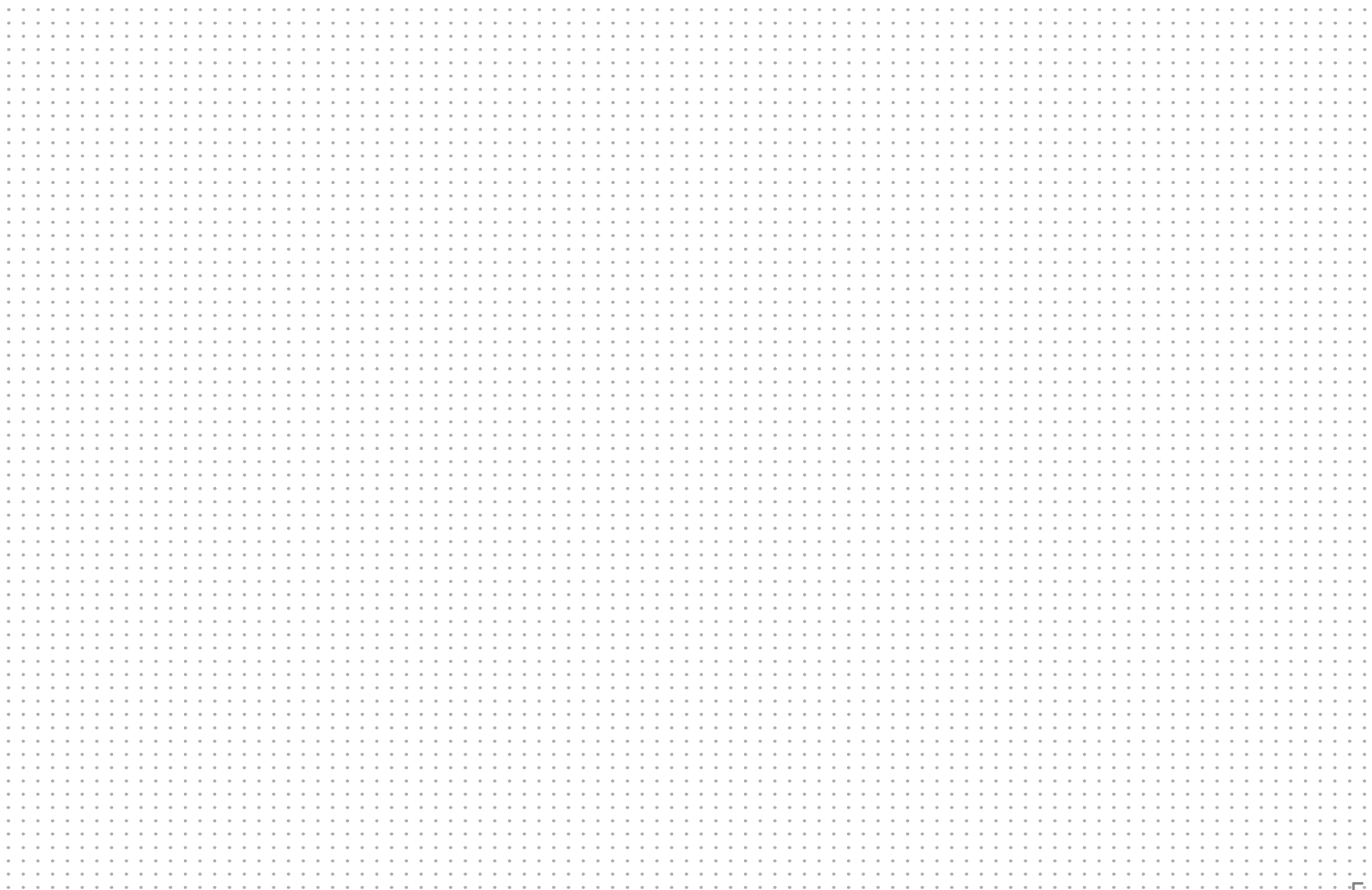


# MASTERING THE BALANCE SHEET





# The Balance Sheet

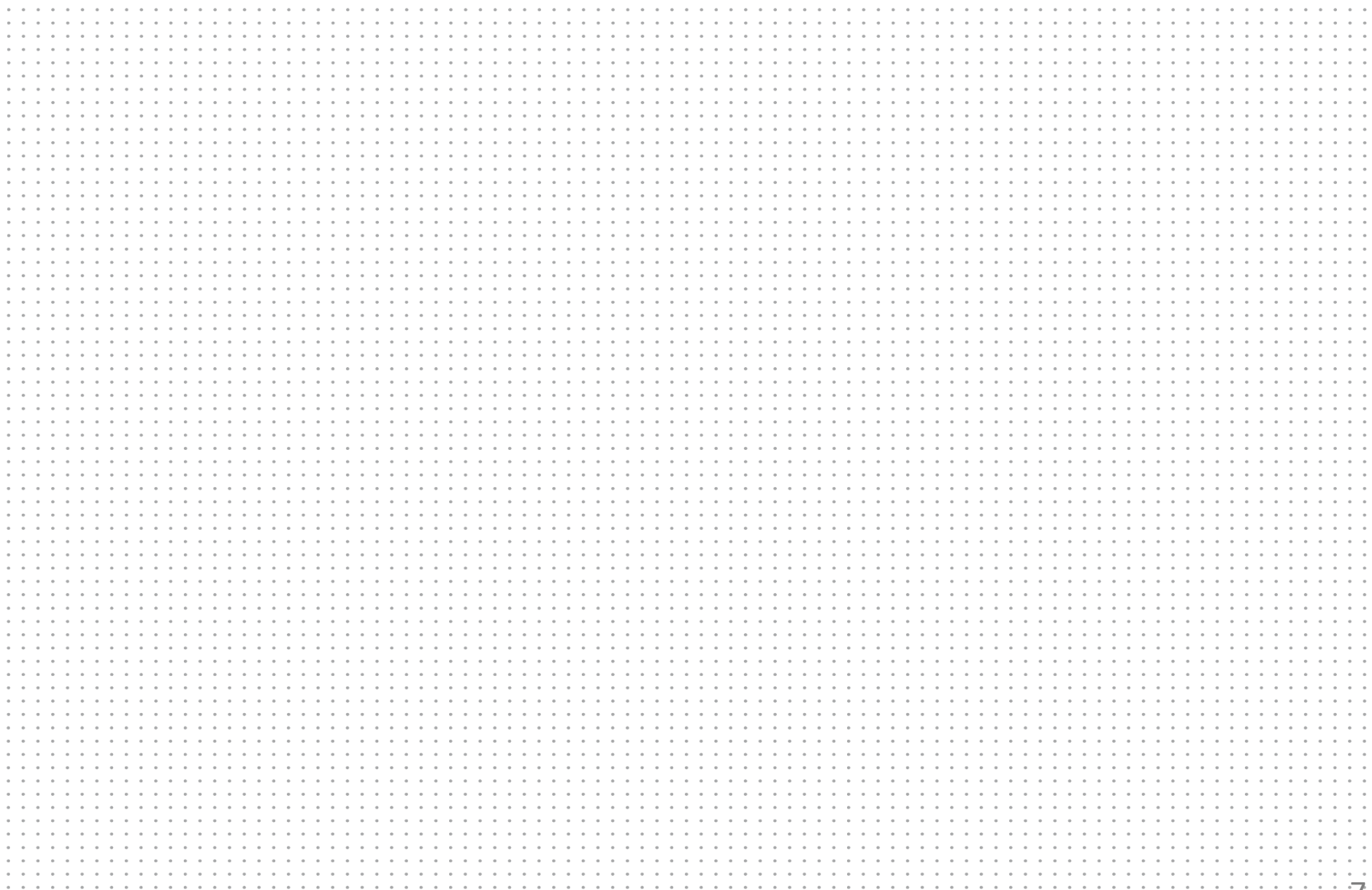
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# Balance Sheet for May 2022

Notes

## Current Assets

Cash at Bank	\$15,000
Stock on Hand	\$45,000
Accounts Receivable	\$33,000
Prepaid expenses	\$5,000
WIP	\$7,000
<b>Total Current Assets</b>	<b><u>\$105,000</u></b>

## Non-Current Assets

Plant & Equipment	\$100,000
Property Owned through the Business	\$250,000
Vehicles	\$65,000
<b>Total Non-Current Assets</b>	<b><u>\$415,000</u></b>

**Total Assets** **\$520,000**

**Current Liabilities**

Accounts Payable	\$12,000
Annual Leave	\$2,500
PAYE/PAYG	\$4,500
Superannuation	\$900
Accrued Tax	\$3,800
GST (Sales Tax)	\$1,300
Credit Card Balance	\$2,000
Deposits (unearned revenue)	\$3,500
<b>Total Current Liabilities</b>	<b><u>\$30,500</u></b>

**Non-Current Liabilities**

Debts linked to non-current assets	\$50,000
Mortgage	\$160,000
Long-term loans	\$25,000
<b>Total Non-Current Liabilities</b>	<b><u>\$235,000</u></b>

**Total Liabilities**                    **\$265,500**

**Equity**

Capital	\$80,000
Retained Earnings	\$123,000
Net Profit	\$51,500
<b>Total Equity</b>	<b><u>\$254,500</u></b>

**Total Liabilities and Equity**       **\$520,000**

Notes

***Working Capital***

***Quick Asset Ratio***

***Equity Ratio***



# Balance Sheet for May 2022

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<b>Total Equity</b>	<b><u>\$254,500</u></b>

**Total Liabilities and Equity** \$520,000

# Chart of Accounts Template

You can break these codes down into different categories as above for more detailed analysis. For example:

- Labour Maintenance
- Materials Maintenance
- Subcontractors Maintenance

You will also need to create a Work in Progress (WIP P & L) code for your Profit and Loss Statement and a Work In Progress (WIP Bal) for your balance sheet.

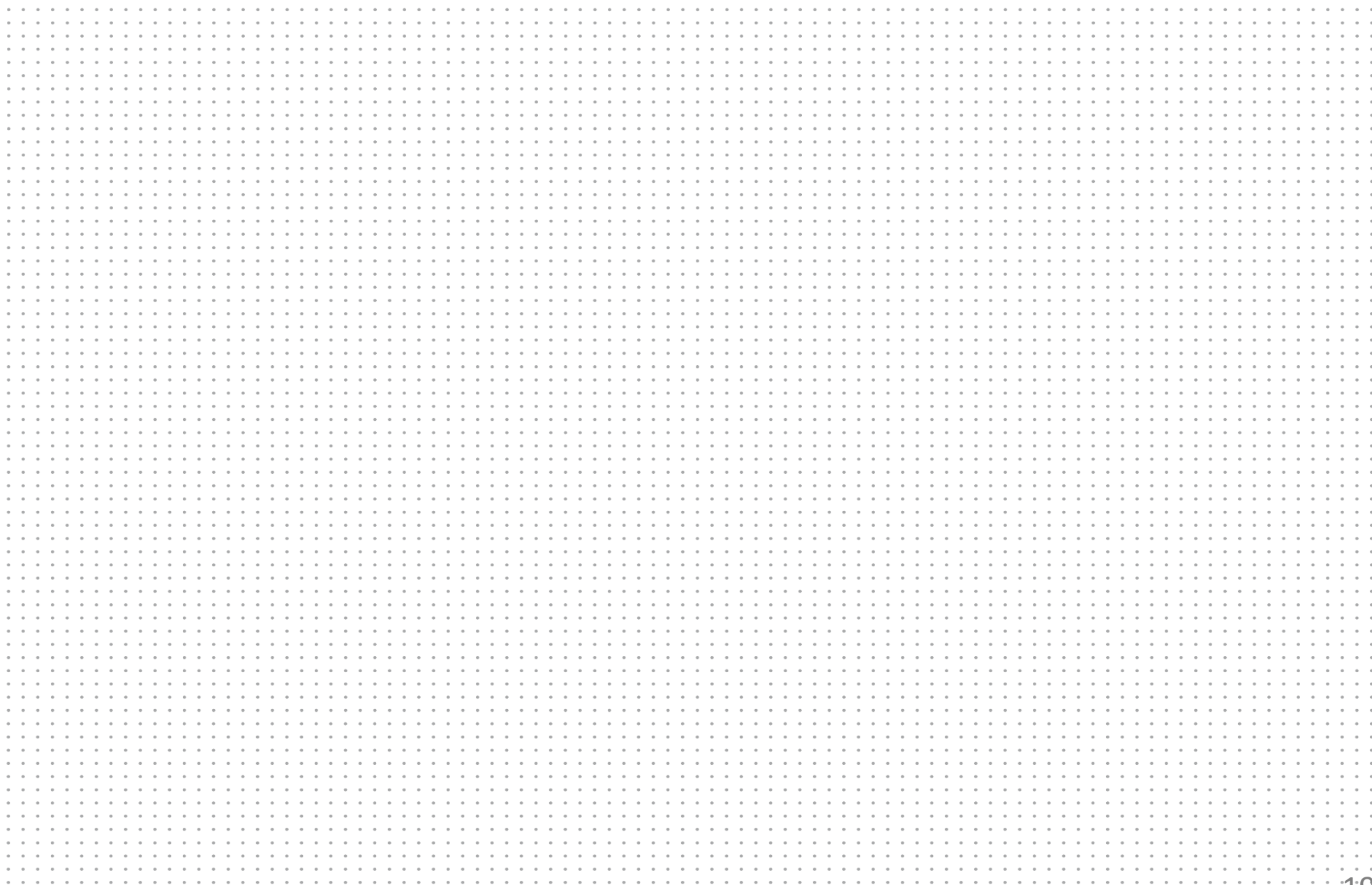
If you carry large amounts of stock in your workshop you will also need a Stock (P & L) for your Profit and Loss Statement and a Stock (Bal) for your balance sheet

## **Fixed Costs:**

All other expenses are included in the fixed costs. Note the following are included in fixed costs:

- Administration / Office Wages
- Salaries (for people off on the tools e.g. Operations Manager and Business Owner)

Please note that if you take drawings this will not show on your Profit and Loss Statement. You simply add the drawings back once you're completed the monthly Profit and Loss by hand to get a realistic monthly performance. Your Accountant will tidy up your Shareholders Salary at the end of the financial year.



# Balance Sheet Checklist