

<b><u>Equity</u></b>			
Capital Stock		xxx	
Additional paid in capital		xxx	
Withdrawals		xxx	
Retained earnings		xxx	
<b><u>Total Equity</u></b>			<b><u>xxx</u></b>
<b><u>Total liabilities &amp; Equity</u></b>			<b><u>xxx</u></b>

**Example 1 /** The following are balances taken from the ledger of Apple trading company at 31/12/2011:

Cash 1425 , Merchandise Inventory \$1200 , Bank 1550 , Accounts Receivable 675 , Land 5300 , Building 3200 , Accumulated Depreciation – Building 200 , Furniture 3250 , Withdrawals 200 , Capital 12,805 , Accounts Payable 400 , Notes Payable 500 , Prepaid Insurance 150 , Long Term Loans 150 , Accrued Rent 125 , Goodwill 450 , Retained Earnings 3220 .

**Required :** Prepare Balance Sheet as at 31/12/2011.

<b>Apple Company</b>			
<b>Balance Sheet as at 31/12/2011</b>			
<b><u>Assets</u></b>			
<b><u>Non-Current Assets:</u></b>			
<b>Property, plant, and equipment</b>			
Land		\$5,300	
Building	\$3,200		
Less: Accumulated Depreciation – Building	(200)	3,000	
Furniture		3,250	

<b>Total Property, plant, and equipment</b>			\$11,550
<b>Intangible Assets</b>			
Goodwill			450
<b>Total Non-Current Assets</b>			<b>12,000</b>
<b><u>Current Assets:</u></b>			
Cash		1425	
Bank		1,550	
Accounts Receivable		675	
Merchandise Inventory		1,200	
Prepaid Insurance		150	
<b>Total Current Assets</b>			<b>5,000</b>
<b>Total Assets</b>			<b>17,000</b>
<b><u>Liabilities and Equity</u></b>			
<b><u>Non-current liabilities :</u></b>			
Long Term Loans		<b>150</b>	
<b><u>Current liabilities :</u></b>			
Accounts Payable	\$400		
Notes Payable	500		
Accrued Rent	125		
<b>Total current Liabilities</b>		<b>1,025</b>	
<b>Total Liabilities</b>			<b>1,175</b>

<b><u>Equity:</u></b>			
Capital		\$12,805	
Withdrawals		(200)	
Retained Earnings		3,220	
<b>Total Equity</b>			<b><u>\$15,825</u></b>
 <b><u>Total Liabilities and Equity</u></b>			 <b>17,000</b>

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**Example 1** / Presented below is the adjusted trial balance of **Kelly** Corporation at December 31, 2017.

	<b><u>Debit</u></b>	<b><u>Credit</u></b>
Cash	\$ 6,850	
Supplies	1,200	
Prepaid Insurance	1,000	
Equipment	48,000	
Accumulated Depreciation—Equipment		\$ 9,000
Trademarks	950	
Accounts Payable		10,000
Salaries and Wages Payable		500
Unearned Service Revenue		2,000
Bonds Payable (due 2024)		9,000

Common Stock		10,000
Retained Earnings		20,000
Service Revenue		10,000
Salaries and Wages Expense	9,000	
Insurance Expense	1,400	
Rent Expense	1,200	
Interest Expense	900	-
<u>Total</u>	<u>\$ 70,500</u>	<u>\$ 70,500</u>

**Additional information:**

Net loss for the year was \$2,500.

**Required:**

Prepare a classified balance sheet as of December 31, 2017.

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**Kelly Corporation  
Balance Sheet  
Dec 31 , 2017**

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**Assets**

**Non-current Assets**

**Property, plant, and equipment**

Equipment .....	£48,000	
Less: Accumulated depreciation—equipment...	(9,000)	
<b>Total property, plant, and equipment.....</b>		<b>£39,000</b>

**Intangible assets**

Trademark..... 950

**Total Non-current Assets** **39,950**

**Current assets**

Supplies..... 1,200

Prepaid insurance ..... 1,000

Cash ..... 6,850

**Total current assets** ..... 9,050

**Total assets** ..... £49,000

**Liabilities and Equity****Non-current liabilities**

Bonds payable ..... £ 9,000

**Current liabilities**

Accounts payable..... £10,000

Salary and Wages payable ..... 500

Unearned service revenue..... 2,000

**Total current liabilities** ..... **12,500**

**Total liabilities**..... **21,500**

**Equity**

Common Stock ..... £10,000

Retained earnings (£20,000 – £2,500)..... 17,500

**Total equity** ..... **£27,500**

**Total equity and liabilities**..... £49,000