

## 7 Balance Sheet

### Question 1

**First Edition Bookshop  
Simplified Balance Sheet  
as at 31 January 2019**

<b>Assets</b>		<b>Liabilities</b>	
Cash at Bank	1,000	Loan from Bank	1,000
Motor Vehicle	5,000	Accounts Payable	2,640
Office Equipment	2,400	<b>Equity</b>	
GST Credits	240	Capital	5,000
	<u>\$8,640</u>		<u>\$8,640</u>

### Question 2

1

**Home Helpers  
Simplified Balance Sheet  
as at 31 March 2021**

<b>Assets</b>		<b>Liabilities</b>	
Cash at Bank	2,000	Loan from Bank	2,000
Office Furniture	3,400	Accounts Payable	3,740
Office Equipment	4,000	<b>Equity</b>	
GST Credits	340	Capital	4,000
	<u>\$9,740</u>		<u>\$9,740</u>

2

A balance sheet shows the assets, liabilities and equity on one day, not for a period of time.

### Question 3

**Discount Tyre Suppliers  
Simplified Balance Sheet  
as at 30 June 2022**

<b>Assets</b>		<b>Liabilities</b>	
Cash at Bank	5,000	Loan from Bank	5,000
Office Equipment	3,000	Accounts Payable	9,240
Inventory	8,400	<b>Equity</b>	
GST Credits	840	Capital	3,000
	<u>\$17,240</u>		<u>\$17,240</u>

**Question 4**

**Furniture Removals**  
**Simplified Balance Sheet**  
**as at 30 June 2024**

<b>Assets</b>		<b>Liabilities</b>	
Motor Vehicle	19,000	Bank overdraft	2,000
Prepaid Rent	6,000	Loan from Bank	13,000
Accounts Receivable	7,000	Accounts Payable	5,000
Office Supplies	1,000	Accrued Expenses	1,000
GST Credits	2,000	<b>Equity</b>	
		Capital	14,000
	<u>\$35,000</u>		<u>\$35,000</u>

**Question 5**

<b>Item</b>		<b>CA</b>	<b>NCA</b>	<b>CL</b>	<b>NCL</b>
a	Accounts receivable	CA			
b	Prepaid rent (rent paid for next 2 months)	CA			
c	Motor vehicle		NCA		
d	Office furniture		NCA		
e	Inventory	CA			
f	GST credits	CA			
g	Office supplies	CA			
h	Office equipment		NCA		
i	Bank overdraft			CL	
j	GST payable			CL	
k	Loan from bank (repayable in 3 years)				NCL
l	Accrued expenses (wages owing)			CL	
m	Accounts payable			CL	
m	Loan from bank (repayable in 5 months)			CL	

## Question 6

**Go Couriers**  
**Balance Sheet**  
**as at 31 January 2019**

<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash at Bank	1,000	Accounts Payable	550
GST Credits	50		
<b>Non-Current Assets</b>		<b>Non-Current Liabilities</b>	
Motor Vehicle	8,000	Loan from Bank	1,000
Office Equipment	500	<b>Equity</b>	
		Capital	8,000
	<u>\$9,550</u>		<u>\$9,550</u>

## Question 7

**Perth Accounting Services**  
**Balance Sheet**  
**as at 30 April 2021**

<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash at Bank	7,000	Accounts Payable	4,510
GST Credits	410		
<b>Non-Current Assets</b>		<b>Non-Current Liabilities</b>	
Motor Vehicle	13,000	Loan from Bank	7,000
Office Equipment	4,100	<b>Equity</b>	
		Capital	13,000
	<u>\$24,510</u>		<u>\$24,510</u>

## Question 8

**Bright Sparks Electrics**  
**Balance Sheet**  
**as at 30 June 2026**

<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash at Bank	4,000	Accounts Payable	330
GST Credits	30		
<b>Non-Current Assets</b>		<b>Non-Current Liabilities</b>	
Office Furniture	1,000	Loan from Bank	4,000
Equipment	300	<b>Equity</b>	
		Capital	1,000
	<u>\$5,330</u>		<u>\$5,330</u>

**Question 9**

**B Good Traders  
Balance Sheet  
as at 30 June 2025**

<b>Current Assets</b>		<b>Current Liabilities</b>	
Cash at Bank	41	GST Payable	7
Office Supplies	7	Accrued Expenses	3
Prepaid Rent	5		
Inventory	11		
<b>Non-Current Assets</b>		<b>Non-Current Liabilities</b>	
Office Equipment	8	Loan from Bank	67
Motor Vehicle	26	<b>Equity</b>	
Land and Buildings	93	Capital	114
	<u>\$191</u>		<u>\$191</u>

**Question 10**

Helpful Couriers has a high level of debt, \$43,000 in loans and \$1,000 in GST payable, but very little equity, \$9,000 in capital.

Helpful Couriers has to repay \$43,000 of loans and \$1,000 in GST payable within 12 months and only has \$2,000 cash in the bank.

Helpful Couriers may find it very difficult to repay these liabilities without selling most of its motor vehicles.

Here 2 There Couriers has a much lower level of debt as compared to equity and only has to repay \$2,000 in loans and \$1,000 in GST payable within the next 12 months. Here 2 There Couriers currently has \$19,000 in cash at bank.

The loan should be made to Here 2 There Couriers.

## Question 11

1

**Oz Products  
Balance Sheet  
as at 30 June 2019**

<b>Current Assets</b>	
Cash at Bank	21
Accounts receivable	30
Inventory	62
Prepaid Rent	19
Total Current Assets	132
<b>Non-Current Assets</b>	
Motor Vehicles	93
Total Non-Current Assets	93
Total Assets	225
<b>Current Liabilities</b>	
Accounts Payable	28
GST Payable	17
Accrued Expenses	13
Total Current Liabilities	58
<b>Non-Current Liabilities</b>	
Loan from Bank	52
Total Non-Current Liabilities	52
Total Liabilities	110
<i>Net Assets</i>	115
<b>Equity</b>	
Capital	115
<i>Total Equity</i>	115

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d business entity assumption.

**Question 12**

1

**Bed Craft**  
**Balance Sheet**  
**as at 30 June 2022**

<b>Current Assets</b>	
Cash at Bank	110
Accounts Receivable	172
Office supplies	4
Inventory	205
Prepaid Insurance	28
Total Current Assets	519
<b>Non-Current Assets</b>	
Motor Vehicles	300
Total Non-Current Assets	300
Total Assets	819
<b>Current Liabilities</b>	
Accounts Payable	170
Accrued Expenses	28
GST Payable	30
Total Current Liabilities	228
<b>Non-Current Liabilities</b>	
Loan from Bank	37
Total Non-Current Liabilities	37
Total Liabilities	265
<i>Net Assets</i>	554
<b>Equity</b>	
Capital	554
<i>Total Equity</i>	554

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a period assumption

## Question 13

1

**The Stationery Depot**  
**Balance Sheet**  
**as at 30 June 2021**

<b>Current Assets</b>	
Accounts receivable	14,003
Office supplies	3,150
Inventory	19,400
<b>Prepaid Rent</b>	<b>15,301</b>
Total Current Assets	51,854
<b>Non-Current Assets</b>	
Motor Vehicles	32,000
Total Non-Current Assets	32,000
Total Assets	83,854
<b>Current Liabilities</b>	
Bank Overdraft	6,000
Accounts Payable	27,330
<b>GST Payable</b>	<b>14,100</b>
Accrued Expenses	1,300
Total Current Liabilities	48,730
<b>Non-Current Liabilities</b>	
Loan from Bank	22,000
Total Non-Current Liabilities	22,000
Total Liabilities	70,730
<i>Net Assets</i>	13,124
<b>Equity</b>	
<b>Capital</b>	<b>13,124</b>
<i>Total Equity</i>	13,124

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b monetary assumption

**Question 14**

1

<b>Fashion Kings</b> <b>Balance Sheet</b> <b>as at 30 November 2026</b>	
<b>Current Assets</b>	
Cash at Bank	9,000
GST Credits	810
Total Current Assets	9,810
<b>Non-Current Assets</b>	
Office Equipment	7,200
Motor Vehicle	8,100
Total Non-Current Assets	15,300
Total Assets	25,110
<b>Current Liabilities</b>	
Accounts Payable	8,910
Total Current Liabilities	8,910
<b>Non-Current Liabilities</b>	
Loan from Bank	9,000
Total Non-Current Liabilities	9,000
Total Liabilities	17,910
<i>Net Assets</i>	7,200
<b>Equity</b>	
Capital	7,200
<i>Total Equity</i>	7,200

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**Business Entity Assumption**

A business is separate from the owner of the business. The assets, liabilities and transactions of a business are kept separate from the personal assets, liabilities and transactions of the owner.

This assumption was applied to Fashion Kings because the personal transaction that took place on 21 November 2026 was not included in the business balance sheet.



## Question 15

**Bunbury City Tours**  
**Balance Sheet**  
**as at 30 June 2025**

<b>Current Assets</b>	
Cash at Bank	8
Accounts Receivable	15
Prepaid Insurance	6
Total Current Assets	29
<b>Non-Current Assets</b>	
Office Equipment	11
Motor Vehicle	32
Total Non-Current Assets	43
Total Assets	72
<b>Current Liabilities</b>	
Accounts Payable	10
Accrued Expenses	4
GST Payable	1
Loan from Bank	30
Total Current Liabilities	45
Total Liabilities	45
<i>Net Assets</i>	27
<b>Equity</b>	
Capital	27
<i>Total Equity</i>	27