**A balance sheet**

Good morning, everyone! I’m Ren Chenwei from group 7. Today our group will give a presentation about the balance sheet.

Have you ever make a list to list the things you want to buy when you go shopping? It’s quite important to balance your income and outcome, and label the things with ‘I can afford’ is key to it. In the business field, this action is called make balance sheet. Initially, I’d like to talk about the meaning of balance sheet. What is a balance sheet? It’s a balance sheet is a financial statement showing a company's assets, liabilities and shareholders' equity at a specific point in time, and it provides a snapshot of what a company owns, as well as the amount invested by shareholders. Assets, liabilities and shareholders' equity are each comprised of several smaller accounts that break down the specifics of a company's finances.

Now you have know the definition of Balance sheet, and have you ever thought why it was called that? Let me go into some more detail about it. The balance sheet represents a balance on the assets side, appearing as cash, investments, inventory, or some other asset. In short, it follows an equation, where assets on one side, and liabilities plus shareholders' equity on the other, balance out:The Assets is the sum of Liabilities and Shareholders' Equity.

To clarify, a company has to pay for all the things it owns by either borrowing money or taking it from investors. For example, if a company takes out $4,000 loan from a bank, its assets will increase by $4,000; its liabilities will also increase by $4,000, balancing the two sides of the equation.

To wrap up, the balance sheet is an important part of an company, it can help investors understand the financial situation of the company better, so as to judge the development prospects of the company and make investment decisions.