

BALANCE SHEET (B/S)

ASSETS / ACTIVO

= LIABILITIES + EQUITY / PASIVO

CURRENT ASSETS

- Cash
- short-term investments
- Account receivable
- Inventories: raw, progress, finished
- Prepaid expenses: rent, insurance, etc.
- Taxes receivable
- Non-current assets for sale

NON-CURRENT ASSETS

- Property, plant, equipment
 - ⊖ Depreciation, accumulated
- Taxes recoverable in future
- Intangible assets: patents, trademarks, etc.
 - ⊖ Amortization, accumulated
- Financial investments
- Goodwill (value of acquired companies)

the P&L account registers revenues and expenses; every time the owners become wealthier/poorer and we balance the B/S, we need to add transactions here!

CURRENT LIABILITIES

- Accounts payable: debts
- Salaries, utilities payable, taxes & interest payable (to be paid, not paid!)
- Advances from customers: goods not yet delivered
- Short-term loans
- Notes payable: like accounts payable, with contract
- Provisions: eg., warranty costs
- Current part of long-term loans

NON-CURRENT LIABILITIES

- Long-term loans, mortgages
- Pension obligations
- Provisions for restructuring costs
- Provisions for litigations
- Capital lease obligations: owed because renting
- Taxes payable in future

OWNERS' EQUITY

- Share capital / common stock
- Share premium
- Preferred shares
- Retained earnings / Profit & loss
 - Revenues
 - Expenses
- Accumulated reserves (eg., stock gains)
- Non-controlling interests (from controlled companies)