Theme 11: Statement of Financial Position

In this theme we learned that the Statement of Financial Position is also called the Balance Sheet and it displays the net worth of the business. This is the difference between assets (things that a business owns) and liabilities (money the business owes.).

Worksheet

Task 1. – Insert the missing figures in the Balance Sheet

Sunshine Desserts - Balance Sheet as at 30 June 2020

	£ 000's	£ 000's
Fixed Assets:		
Land and buildings	1000	
Equipment	400	
Fixtures and fittings	300	
Motor vehicles	300	?
Current Assets:		
Stock	500	
Debtors	1000	
Cash	500	
	?	
Creditors:		
(Due within 1 year)	1000	
Net Current Assets (working capital)		1000
Creditors long term:		
(Due after more than 1 year)		
Bank loan		?
Total Net Assets Employed		**?**
Shareholders' Funds:		
Paid up shares	800	
Retained profits	200	
Total Capital and Reserves		**1000**

Task 2. – Answer the following questions, justifying your answers

If the company needed money quickly (within a few weeks) to pay a debt that has become due, how much money do you think it could easily raise?

1. Can the company easily pay its way?
2. Who is investing the most money into this company?
3. Is this a good position for the company to be in?