BALANCE SHEET
A snapshot at a point in time

USES OF RESOURCES !!

RESOURCES !!

Assets of "Firm", in m$	2018	2017
Current assets		
Cash	21.2	19.5
Accounts receivable	18.5	13.2
Inventories	15.3	14.3
Other current assets	2.0	1.0
Total current assets	**57.0**	**48.0**
Long-term assets		
Land	22.2	20.7
Buildings	56.5	50.5
Equipment	49.7	43.2
Accumulated depreciation	18.7	17.5
Net property, plant, and equipment	*109.7*	*96.9*
Goodwill and intangible assets	20.0	20.0
Other long-term assets	21.0	14.0
Total long-term assets	**150.7**	**130.9**
Total assets	**207.7**	**178.9**

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Liabilities of "firm", in m$	2018	2017
Current liabilities		
Accounts payable	29.2	24.5
Short term debt	3.5	3.2
Current maturities of long-term debt	13.3	12.3
Other current liabilities	2.0	4.0
Total current liabilities	**48.0**	**44.0**
Long term liabilities		
Long-term debt	99.9	76.3
Capital lease obligations	7.6	7.4
Total long-term liabilities	**107.5**	**83.7**
Total liabilities	**155.5**	**127.7**
Stockholders' equity	**52.2**	**51.2**
Total resources	**207.7**	**178.9**

Exercise 4 : Economic BS

- Based on the balance sheet provided, present an economic balance sheet

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ECONOMIC BALANCE SHEET			
	2018		**2018**
Accounts receivable	18,5	Long-term debt	99,9
Inventories	15,3	Capital lease obligations	7.6
Other current assets	2		
Accounts payable	-29,2	Current maturities of long-term debt	13,3
Other current liabilities	-2	Short term debt	3,5
WCR	**4,6**	Cash	-21,2
		NET FINANCIAL DEBT	**103,1**
Total long-term assets	**150,7**	**Stockholders' equity**	**52,2**
CAPITAL EMPLOYED	**155,3**	**FINANCIAL RESOURCES**	**155,3**

Exercise 4 : Economic BS

NOW

we know HOW MUCH financial resources (money) the company needs to fund its operating means to run the business, and HOW it uses them.

BUT

We do not know if

the company is PERFORMING WELL…