



FINANCIAL UNIVERSITY UNDER THE GOVERNMENT OF  
THE RUSSIAN FEDERATION

# THE BALANCE SHEET

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# AN

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# PRODUCTION

**BALANCE SHEET**

GROUP

Note

20.  
\$'000  
(restated)

Note	20.	20.
	45,421	2,256
	50,161	7,344
	110	5,362
	22,251	12
	1,933	994
	737	61,379
	579	
	75,777	61,80
		112,48
	27,790	8
	122,857	20,9
	1,027	
	30,360	190,

Non-current assets  
Property, plant and equipment  
Intangible assets  
Subsidiaries  
Investments  
Other

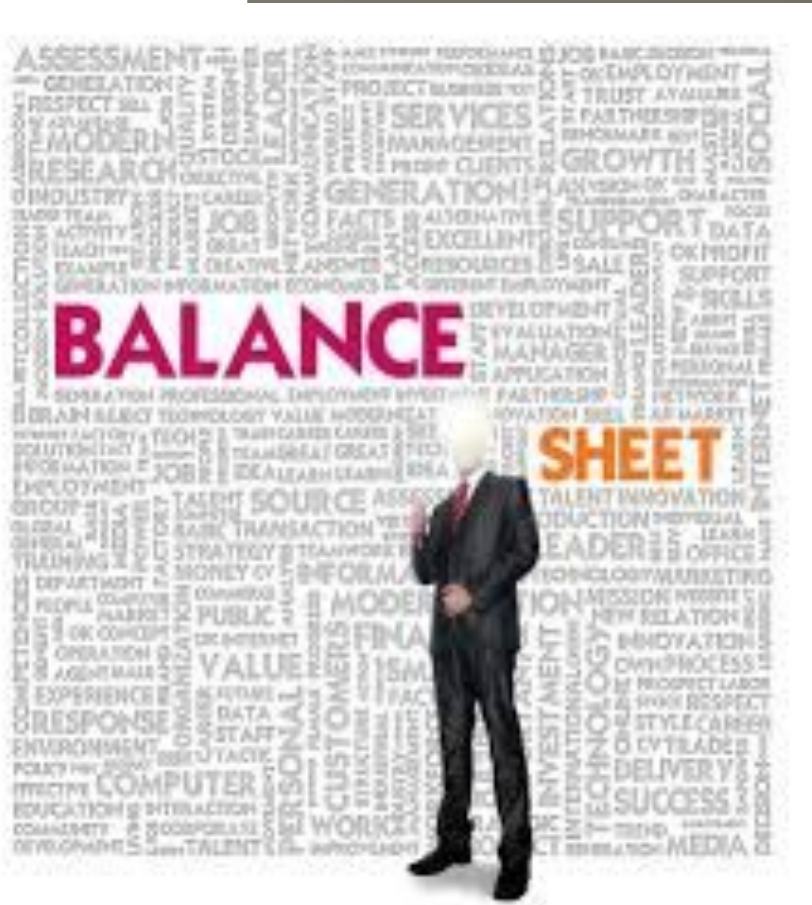
In financial accounting, a balance sheet or statement of financial position is a summary of the financial balances of a sole proprietorship, a business partnership, a corporation or other business organization, such as an LLC or an LLP. Assets, liabilities and ownership equity are listed as of a specific date, such as the end of its financial year. A balance sheet is often described as a "snapshot of a company's financial condition". Of the three basic financial statements, the balance sheet is the only statement which applies to a single point in time of a business' calendar year.

# TORY



- ▶ Balance - the oldest type of aggregate data on financial and economic life of companies. Accurate data on the origin of the balance sheet is unknown. In the archives of the company Francesco Datini first time in history you can find documented application of the principle of double-entry recording of transactions in the accounts. In addition to his trading company in the first half of 1390-x was compiled by the first annual balance sheet, the prototype of the modern. The first theoretical information were obtained only in 1494, when he published the work of Luca Pacioli "Treatise on the accounts and records", which contained the first description not only balance, but also accounting in General.

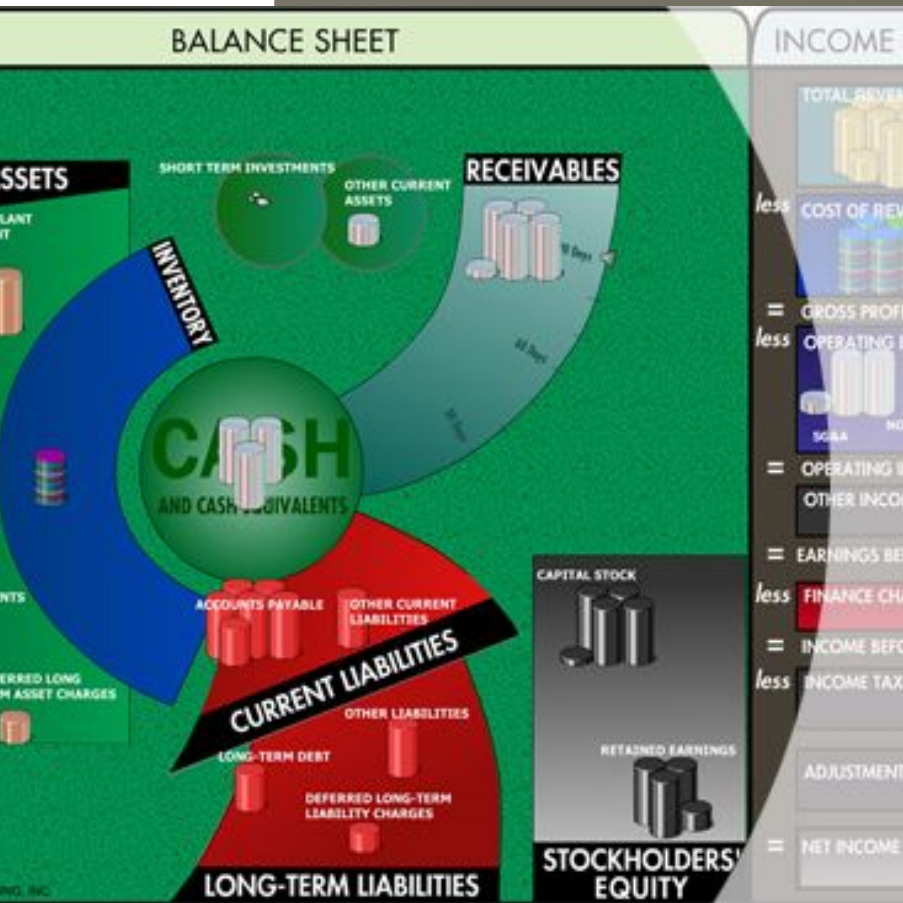
# PES



- ▶ A balance sheet summarizes an organization or individual's assets, equity and liabilities at a specific point in time. Two forms of balance sheet exist. They are the report form and the account form. Individuals and small businesses tend to have simple balance sheets. Larger businesses tend to have more complex balance sheets, and these are presented in the organization's annual report. Large businesses also may prepare balance sheets for segments of their businesses. A balance sheet is often presented alongside one for a different point in time (typically the previous year) for comparison.



# AMPLE



This is the simplest representation of Balance Sheet information, and is prevalent in North America. It shows the assets (what you have in the business) and balances that amount against the total of liabilities and equity (which is where the assets came from). In other words, everything you have in the business comes from investing (Capital Stock), making money (Retained Earnings), or borrowing from sources such as banks (Loans) and suppliers (Accounts Payable (A/P))

# Intangible assets

## CHANGES IN INTANGIBLE ASSETS BETWEEN JANUARY 1 AND DECEMBER 31, 2006

€ million	Concessions, industrial and similar rights, and licenses in such rights and assets	Goodwill	Capitalized costs for products under development	Capitalized development costs for products currently in use	Other intangible assets	Total
<b>Cost</b>						
Balance at Jan. 1, 2006	63	238	1,715	9,540	1,283	12,839
Foreign exchange differences	-2	8	5	0	-8	3
Changes in consolidated Group	25	-51	-	-	-136	-162
Additions	3	-	1,198	280	167	1,648
Transfers	2	-	-1,042	1,042	17	19
Disposals	28	-	4	716	37	785
<b>Balance at Dec. 31, 2006</b>	<b>63</b>	<b>195</b>	<b>1,872</b>	<b>10,146</b>	<b>1,286</b>	<b>13,562</b>
<b>Amortization and impairment</b>						
Balance at Jan. 1, 2006	54	-	86	4,319	712	5,171
Foreign exchange differences	-2	-	-	5	-6	-3
Changes in consolidated Group	25	-	-	-	-102	-77
Additions to cumulative amortization	5	-	-	1,363	174	1,542
Additions to cumulative impairment losses	1	-	31	432	50	514
Transfers	2	-	-1	1	2	4
Disposals	28	-	3	715	36	782
<b>Balance at Dec. 31, 2006</b>	<b>57</b>	<b>-</b>	<b>113</b>	<b>5,405</b>	<b>794</b>	<b>6,369</b>
<b>Carrying amount at Dec. 31, 2006</b>	<b>6</b>	<b>195</b>	<b>1,759</b>	<b>4,741</b>	<b>492</b>	<b>7,193</b>

# SETS

- ▶ Current assets
- ▶ Cash and cash equivalents
- ▶ Accounts receivable
- ▶ Prepaid expenses for future services that will be used within a year

## Non-current assets (Fixed assets)

### Property, plant and equipment

Investment property, such as real estate held for investment purposes

### Intangible assets

Financial assets (excluding investments accounted for using the equity method, accounts receivables, and cash and cash equivalents)

### Investments accounted for using the equity method

Biological assets, which are living plants or animals.

Bearer biological assets are plants or animals which bear agricultural produce for harvest, such as apple trees grown to produce apples and sheep raised to produce wool.





# LIABILITIES



# EQUITY



▶ The net assets shown by the balance sheet equals the third part of the balance sheet, which is known as the shareholders' equity.

It comprises:

▶ Issued capital and reserves attributable to equity holders of the parent company (controlling interest)

▶ Non-controlling interest in equity

# BALANCE SHEET SUBSTANTIATION

- ▶ Balance Sheet Substantiation is the accounting process conducted by businesses on a regular basis to confirm that the balances held in the primary accounting system of record (e.g. SAP, Oracle, other ERP system's General Ledger) are reconciled (in balance with) with the balance and transaction records held in the same or supporting sub-systems.
- ▶ Balance Sheet Substantiation includes multiple processes including reconciliation (at a transactional or at a balance level) of the account, a process of review of the reconciliation and any pertinent supporting documentation and a formal certification (sign-off) of the account in a predetermined form driven by corporate policy.

# ERATURE

- ▶ [https://en.wikipedia.org/wiki/Balance\\_sheet](https://en.wikipedia.org/wiki/Balance_sheet)
- ▶ <http://www.investopedia.com/terms/e/equity.asp>