

EXAM NUMBER 007875

QUESTION NUMBER 2
 BALANCE SHEET NUMBER C

<u>ASSETS</u>			<u>LIABILITIES</u>		
<u>Description</u>	<u>Basis</u>	<u>Value</u>	<u>Description</u>	<u>Basis</u>	<u>Value</u>
Cash	40K	40K	Debt	—	50K
Inventory	25K	90K			
			Sub-Total		
			<u>EQUITY</u>		
			<u>Description</u>	<u>Basis</u>	<u>Value</u>
			K	50K	40K
			L	10K	40K
			M	5K	0
			Sub-Total		80K
<u>Total</u>	65K	130K	<u>Total</u>	65K	90K 130K