

Packed Powder Corporation bought all of the stock of Snowfall Corporation from its existing shareholders on June 30, 20X4. Packed Powder paid Snowfall's shareholders a total of \$2,000,000, which happened to be exactly equal to the recorded stockholders' equity of Snowfall. Further, the recorded values for each of the assets and liabilities of Snowfall were approximately equal to their estimated fair values. Following is a listing of the separate assets and liabilities of each company, immediately following the acquisition:

Consolidating Spreadsheet				
	A	B	C	D
1	Accounts	Packed Powder	Snowfall	Consolidated
2	Cash	\$ 450,000	\$ 60,000	
3	Accounts receivable	400,000	185,000	
4	Inventory	1,250,000	125,000	
5	Investment in Snowfall	2,000,000		
6	Land	850,000	380,000	
7	Buildings and equipment (net)	<u>1,300,000</u>	<u>1,700,000</u>	-
8		<u>\$6,250,000</u>	<u>\$2,450,000</u>	<u>\$ -</u>
9				
10	Accounts payable	760,000	150,000	
11	Notes payable	2,400,000	300,000	
12	Common stock	500,000	400,000	
13	Retained earnings	<u>2,590,000</u>	<u>1,600,000</u>	-
14		<u>\$6,250,000</u>	<u>\$2,450,000</u>	<u>\$ -</u>

Complete the "Consolidated" column to show how these accounts would appear in the consolidated balance sheet for Packed Powder and its subsidiary.