Land		
Buildings—net		
Equipment—net	10,000	4,000
Investment in Ski	14,405	—
Total assets	$51,575	$13,000
Accounts payable	$ 4,100	$ 1,000
Other liabilities	7,000	2,000
Capital stock	26,000	5,000
Retained earnings	14,475	5,000
Total equities	$51,575	$13,000

REQUIRED: Prepare a consolidation workpaper for Pot Corporation and Subsidiary for the year ended December 31, 2015.

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Workpaper (upstream sales current and previous years)

Par Corporation acquired an 80 percent interest in Sin Corporation on January 1, 2011, for $108,000 cash, when Sin's capital stock was $100,000 and retained earnings were $10,000. The difference between investment fair value and book value acquired is due to a patent being amortized over a 10-year period.

Separate financial statements for Par and Sin on December 31, 2014, are summarized as follows (in thousands):

	Par	Sin
Combined Income and Retained Earnings Statement for the Year Ended December 31, 2014		
Sales	$650	$120
Income from Sin	42	—
Cost of sales	(390)	(40)
Other expenses	(170)	(30)
Net income	132	50
Add: Beginning retained earnings	95.6	20
Deduct: Dividends	(70)	(20)
Retained earnings December 31	$157.6	$ 50
Balance Sheet at December 31, 2014		
Cash	$ 58	$ 20
Accounts receivable	40	20
Inventories	60	35
Plant assets	290	205
Accumulated depreciation	(70)	(100)
Investment in Sin	121.6	—
Total assets	$499.6	$180
Accounts payable	$ 42	$ 30
Capital stock	300	100
Retained earnings	157.6	50
Total equities	$499.6	$180

ADDITIONAL INFORMATION

1. Sin's sales include intercompany sales of $8,000, and Par's December 31, 2014, inventory includes $1,000 profit on goods acquired from Sin. Par's December 31, 2013, inventory contained $2,000 profit on goods acquired from Sin.
2. Par owes Sin $4,000 on account.