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To illustrate the current portion of a long-term debt we will use the loan amortization schedule shown below. Note that on December 31, 2022 the company's loan balance is \$92,759.84. The portion of that principal balance that must be paid within one year after December 31, 2022 is to be reported as a *current liability*. As you can see from the amortization schedule, payments numbered 4 through 15 must be paid within one year of December 31, 2022. Those 12 payments include a total of \$30,832.41 of principal payments. This means that on December 31, 2022 the company must report a current liability of \$30,832.41 and a long-term liability for the remaining \$61,927.43 (\$92,759.84 - \$30,832.41).

Loan Amortization Schedule						
Amount borrowed on October 1, 2022:		\$ 100,000.00				
Annual interest rate:		10%				
Number of monthly payments:		36				
Total Monthly Payment of Interest & Principal:		\$ 3,226.72				
Pmt		Payment at End of Month			Remaining Principal	
Date	No.	Total	Interest	Principal	Balance	
Oct 1, 2022					\$ 100,000.00	
Oct 31, 2022	1	\$ 3,226.72	\$ 833.33	\$ 2,393.39	\$ 97,606.61	
Nov 30, 2022	2	\$ 3,226.72	\$ 813.39	\$ 2,413.33	\$ 95,193.28	
Dec 31, 2022	3	\$ 3,226.72	\$ 793.28	\$ 2,433.44	\$ 92,759.84	Total loan balance at December 31, 2022
Jan 31, 2023	4	\$ 3,226.72	\$ 773.00	\$ 2,453.72	\$ 90,306.12	Principal Payments Required During the Year 2023: \$30,832.41
Feb 28, 2023	5	\$ 3,226.72	\$ 752.55	\$ 2,474.17	\$ 87,831.95	
Mar 31, 2023	6	\$ 3,226.72	\$ 731.93	\$ 2,494.79	\$ 85,337.16	
Apr 30, 2023	7	\$ 3,226.72	\$ 711.14	\$ 2,515.58	\$ 82,821.58	
May 31, 2023	8	\$ 3,226.72	\$ 690.18	\$ 2,536.54	\$ 80,285.04	
Jun 30, 2023	9	\$ 3,226.72	\$ 669.04	\$ 2,557.68	\$ 77,727.37	
Jul 31, 2023	10	\$ 3,226.72	\$ 647.73	\$ 2,578.99	\$ 75,148.37	
Aug 31, 2023	11	\$ 3,226.72	\$ 626.24	\$ 2,600.48	\$ 72,547.89	
Sep 30, 2023	12	\$ 3,226.72	\$ 604.57	\$ 2,622.15	\$ 69,925.74	
Oct 31, 2023	13	\$ 3,226.72	\$ 582.71	\$ 2,644.01	\$ 67,281.73	
Nov 30, 2023	14	\$ 3,226.72	\$ 560.68	\$ 2,666.04	\$ 64,615.69	
Dec 31, 2023	15	\$ 3,226.72	\$ 538.46	\$ 2,688.26	\$ 61,927.44	Total loan balance at December 31, 2023
Jan 31, 2024	16	\$ 3,226.72	\$ 516.06	\$ 2,710.66	\$ 59,216.78	Principal Payments Required During the Year 2024: \$34,060.96
Feb 29, 2024	17	\$ 3,226.72	\$ 493.47	\$ 2,733.25	\$ 56,483.53	
Mar 31, 2024	18	\$ 3,226.72	\$ 470.70	\$ 2,756.02	\$ 53,727.51	
Apr 30, 2024	19	\$ 3,226.72	\$ 447.73	\$ 2,778.99	\$ 50,948.52	
May 31, 2024	20	\$ 3,226.72	\$ 424.57	\$ 2,802.15	\$ 48,146.37	
Jun 30, 2024	21	\$ 3,226.72	\$ 401.22	\$ 2,825.50	\$ 45,320.87	
Jul 31, 2024	22	\$ 3,226.72	\$ 377.67	\$ 2,849.05	\$ 42,471.82	
Aug 31, 2024	23	\$ 3,226.72	\$ 353.93	\$ 2,872.79	\$ 39,599.03	
Sep 30, 2024	24	\$ 3,226.72	\$ 329.99	\$ 2,896.73	\$ 36,702.31	
Oct 31, 2024	25	\$ 3,226.72	\$ 305.85	\$ 2,920.87	\$ 33,781.44	
Nov 30, 2024	26	\$ 3,226.72	\$ 281.51	\$ 2,945.21	\$ 30,836.23	
Dec 31, 2024	27	\$ 3,226.72	\$ 256.97	\$ 2,969.75	\$ 27,866.48	Total loan balance at December 31, 2024
Jan 31, 2025	28	\$ 3,226.72	\$ 232.22	\$ 2,994.50	\$ 24,871.98	
Amounts for payments 29 through 36 are not shown in order to save space.						