Name: _____

Accounting Ch. 2

IS – OE – BS

A list of accounts and balances for Dante's Doughnuts at December 31(end of the year) appears below. Dante's Doughnuts year end is December 31, 2014.

Cash	$45,000	
Accounts Receivable	35,000	
Office Equipment	14,000	
Accounts Payable		14,000
Dante, Capital		62,000
Dante, Drawings	4,000	
Doughnut Sales		140,000
Advertising Expense	43,000	
Rent Expense	28,000	
Salaries Expense	37,000	
Utilities Expense	10,000	
	$216,000	216,000

Instructions: Using the information from the trial balance, prepare the following financial statements for the year:

1. Income Statement
2. Owner's Equity Statement (Assume Jan. 1 Capital = $0 and there was a $62,000 Investment)
3. Balance Sheet

REVENUES		
Expenses		

Assets		
Liabilities & Owner's Equity		

Name: _____

Accounting Ch. 2

IS – OE – BS

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Cash	$45,000	
Accounts Receivable	35,000	
Office Equipment	14,000	
Accounts Payable		14,000
Dante, Capital		62,000
Dante, Drawings	4,000	
~~Commission Revenue~~ Doughnut Sales		140,000
Advertising Expense	43,000	
Rent Expense	28,000	
Salaries Expense	37,000	
Utilities Expense	10,000	
	$216,000	216,000

Instructions: Using the information from the trial balance, prepare the following financial statements for the year:

1. Income Statement
2. Owner's Equity Statement (Assume Jan. 1 Capital = $0 and there was a $62,000 Investment)
3. Balance Sheet

Dante's Doughnuts
Income Statement
for the Year ended Dec. 31, 2014

REVENUES		
Doughnut Sales		140,000
Expenses		
Advertising Expense	43000	
Rent Expense	28000	
Salaries Expense	37000	
Utilities Expense	10000	
Total Expenses		118,000
Net Income		22,000

Dante's Doughnuts
Owners Equity Statement
for the year ended Dec. 31, 2014

Dante Capital Jan 1		0
Add Investment		62000
Net Income		22000
Subtotal		84000
Less: Drawings		4000
Dante Capital Dec 31		80000

Dante Doughnuts
Balance Sheet
Dec 31, 2014

Assets		
Cash		45000
A/R		35000
Office Equipment		14000
Total Assets		94000
Liabilities & Owner's Equity		
Liabilities		
A/P		14000
Owners Equity		
Dante Capital		80000
Total Liabilities + Owners Equity		94000