**date: 08/11/2019**

EXERCISE 1(question 8 pag 22)

Listed here are some items found in the financial statements of Finzelberg. Indicate in which financial statement(s): **Balance sheet (BS) or Income statement** **(IS)** each item would appear.

 **BS IS**

1. Service Revenue
2. Equipment
3. Advertising expense
4. Account receivable
5. Common stock
6. Interest payable

EXERCISE 2 (question 16 pag 22)

Which of these items are liabilities of White Glove Cleaning Service?

1. Cash
2. Accounts Payable
3. Dividends
4. Account receivables
5. Supplies
6. Equipment
7. Salaries and wages payable
8. Service revenue
9. Rent expense

EXERCISE 3 (BE1-5 pag 23)

In alphabetical order below are balance sheet items for Burnett Company at December 31, 2014. Prepare a balance sheet following the format below:

Account payable € 65,000

Account receivable € 71,000

Cash € 22,000

Common Stock € 18,000

Retained earnings € 10,000

(COMPANY NAME)\_\_\_\_\_\_\_\_\_\_

Balance Sheet

(DATE)\_\_\_\_\_\_\_

Assets

xxx €00,000

xxx €00,000

Total assets €00,000

Liabilities and Stockholders’ Equity

Liabilities

xxx € 00,000

Stockholders’ equity

 xxxxx € 00,000

 xxxxxx € 00,000 € 00,000

Total liabilities and stockholders’ equity € 00,000

EXERCISE 4 (BE1-4 pag 23)

Presented below are a number of transactions. Determine whether each transaction affect common stock (C), dividend (D), revenue (R, expense (E) or does not affect stockholders’ equity (NSE). Provide titles for revenues and expenses.

1. Cost incurred for advertising
2. Assets received for services performed
3. Amount paid to employees
4. Cash distributed to stockholders
5. Cost incurred for utilities used
6. Cash purchase of equipment
7. Cash received from investors

EXERCISE 5 (E1-4 pag 25)

This information relates to Molina Co. for the year 2014.

Net Income € 13,400

Advertising expense 1,800

Rent expense 10,400

Service revenue 58,000

Utilities expense 2,400

Salaries and wages expense 30,000

*Instructions*

After analyzing the data, prepare an income statement for year ending December 31, 2014.

MOLINA CO.

Income Statement

For the Year Ended December 31, 2014

Revenues

 xxxxx $00,000

Expenses

 xxx $00,000

 xx  00,000

 xx   0,000

 xx   0,000

 Total expenses  00,000

Net income $00,000

EXERCISE 6 (E1-9 pag 26)

Here are incomplete financial statement for Ryedy Inc.

*Instructions*

Calculate the missing amounts.

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