Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Completing Financial Statements

Section 12.2

Part One: Balance Sheet

Financial statements are reports that summarize the financial performance of a business. The balance sheet lists the assets, liabilities, and owner’s equity of the business. In the balance sheet below, some information is missing. Complete the balance sheet by calculating the missing amounts.

**Countryside Bicycle Shop**

**Balance Sheet**

**December 31, 2013**

 *Assets:* *Liabilities:*

 Cash $38,425 Accounts Payable $30,070

 Accounts Receivable \_\_\_\_\_\_\_ Notes Payable 28,695

 Supplies 12,675 Loans Payable \_\_\_\_\_\_\_\_\_\_\_\_

 Equipment \_\_\_\_\_\_\_16,300 Total Liabilities 71,415

 *Owner’s Equity:* \_\_\_\_\_\_\_\_\_\_\_\_

 Total Assets:  **$82,200** Total Liabilities & Own. Eq.

Part Two: Income Statement

A company’s income statement reports revenues, expenses, and net income or loss from the business operations for a specified period of time, usually six months to one year. Review the income statement for The Unique Boutique women’s clothing store and answer the questions below.

**The Unique Boutique**

**Income Statement**

**For the 6-month Period Ending June 30, 2013**

 *Operating Revenue:* *Operating Expenses:*

 Cash Sales $15,825 Salaries and Wages $12,500

 Credit/Charge Sales \_\_\_\_\_\_\_18,940 Advertising 875

 Total Operating Revenue **$34,765** Rent 2,000

 Utilities 750

 Supplies 695

 Other \_\_\_\_\_\_\_\_350

 Total Operating Expenses **$17,170**

Did the Unique Boutique earn a profit or a loss during this period? How much?