



# Accounting

# Homework Check....

ROI = Change in Price / Original Price

H8

	A	B	C	D	E	F	G
1							
2							
3							
4							
5							
6							
7							
8							

Symbol Company Original Current ROI

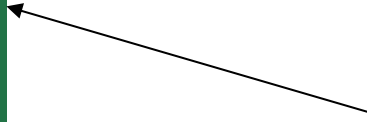
IBM I.B.M. \$150 \$200 33%

$$\text{' = ( E3-D3 ) / D3'}$$

ie. = change / original

Mannequins		\$1,988.00	
A/R - HBO		\$2,740.00	
A/P-Fashion Supply Corp.			\$888.00
A/P - H&H Party People			\$3,450.00
Advertising Expense		\$59.00	
Maintenance Expense		\$75.00	
Lease Expense		\$347.00	
Rent Expense		\$2,500.00	
Installation Expense		\$348.00	
Wages Expense		\$3,458.00	
Gas Expense		\$125.00	
Office Supplies Expense		\$622.00	

Ledger | **TrialBalance** | IncomeStatement | Balance Sheet | Sheet4



You can have multiple sheets in an Excel document.

Right-click and choose 'rename' to change the name of each tab.

# Fashion Case

## Fashion & Design Consulting

### Trial Balance

December 31, 20--

ACCOUNTS	DEBIT	CREDIT
Cash	\$42,863.00	
Office Furniture	\$1,700.00	
Sign	\$2,435.00	
Sewing Machine	\$1,685.00	
Serger	\$982.00	
Mannequins	\$1,988.00	
A/R - HBO	\$2,740.00	
A/P-Fashion Supply Corp.		\$888.00
A/P - H&H Party People		\$3,450.00
Advertising Expense	\$59.00	
Maintenance Expense	\$75.00	
Lease Expense	\$347.00	
Rent Expense	\$2,500.00	
Installation Expense	\$348.00	
Wages Expense	\$3,458.00	
Gas Expense	\$125.00	
Office Supplies Expense	\$622.00	
Marketing Expense	\$13,714.00	
Entertainment Expense	\$62.00	
C. Alexander, Capital		\$37,017.00
Consulting Revenue	\$75,703.00	\$34,348.00
		\$75,703.00

# Trial Balance to I/S (Income Statement) & B/S (Balance Sheet)

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Trial Balance

December 31, 20--

ACCOUNTS	DEBIT	CREDIT
Cash	\$42,863.00	
Office Furniture	\$1,700.00	
Sign	\$2,435.00	
Sewing Machine	\$1,685.00	
Serger	\$982.00	
Mannequins	\$1,988.00	
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A/P-Fashion Supply Corp.		\$888.00
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Gas Expense	\$125.00	
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Marketing Expense	\$13,714.00	
Entertainment Expense	\$62.00	
C. Alexander, Capital		\$37,017.00
Consulting Revenue		\$34,348.00
	<b>\$75,703.00</b>	<b>\$75,703.00</b>

B/S Accounts

I/S Accounts

B	C	D	E	F
	Fashion & Design Consulting			
	Income Statement			
	For the Year Ended December 31, 2012			
	<b>REVENUE</b>			
	Consulting Revenue		\$34,348.00	
	<b>EXPENSES</b>			
	Advertising Expense	\$59.00		
	Maintenance Expense	\$75.00		
	Lease Expense	\$347.00		
	Rent Expense	\$2,500.00		
	Installation Expense	\$348.00		
	Wages Expense	\$3,458.00		
	Gas Expense	\$125.00		
	Office Supplies Expense	\$622.00		
	Marketing Expense	\$13,714.00		
	Entertainment Expense	\$62.00		
	Total Expenses		\$21,310.00	
	Net Income		\$13,038.00	

Using the Information from you Trial Balance:

- Create a new Tab for 'Income Statement'
2. Copy the revenues and their values.
  3. Copy the expenses and their values.
  4. Create an extra column for total revenues and total expenses. (and for Net Income)
  5. Make sure to change the heading! (and to add the Revenue and Expense headings)

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Balance Sheet

December 31, 20--

<b>ASSETS</b>		
Cash	\$42,863.00	
Office Furniture	\$1,700.00	
Sign	\$2,435.00	
Sewing Machine	\$1,685.00	
Serger	\$982.00	
Mannequins	\$1,988.00	
A/R - HBO	\$2,740.00	
<b>Total Assets</b>		<b><u>\$54,393.00</u></b>
<b>LIABILITIES</b>		
A/P-Fashion Supply Corp.	\$888.00	
A/P - H&H Party People	\$3,450.00	
<b>Total Liabilities</b>		<b>\$4,338.00</b>
<b>OWNER'S EQUITY</b>		
C. Alexander, Capital		\$50,055.00
<b>Total Liabilities &amp; Equity</b>		<b><u>\$54,393.00</u></b>

We can do the Balance Sheet in the same way.

This balance sheet is in '**Report Form**', meaning the Assets and Liabilities are listed as a report would be. (Vertically.)

We will start to do our B/Ss this way.

The ONE number that will be different from the Trial Balance to this Balance sheet will be.....

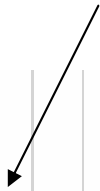
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Balance Sheet

December 31, 20--

<b>ASSETS</b>		
Cash	\$42,863.00	
Office Furniture	\$1,700.00	
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Serger	\$982.00	
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A/R - HBO	\$2,740.00	
<b>Total Assets</b>		<b><u>\$54,393.00</u></b>
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<b>OWNER'S EQUITY</b>		
C. Alexander, Capital		\$50,055.00
<b>Total Liabilities &amp; Equity</b>		<b><u>\$54,393.00</u></b>

How do we figure out the change to the Capital amount?







**KEY**

Beginning 'Capital'

- + Revenue (Increases to Capital)
- Expenses (Decreases to Capital)

Ending 'Capital'



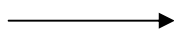
**KEY**

Beginning 'Capital'

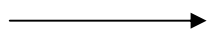
- + Revenue (Increases to Capital)
- Expenses (Decreases to Capital)

Ending 'Capital'

B/S



I/S



B/S

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Balance Sheet

December 31, 20--

<b>ASSETS</b>		
Cash	\$42,863.00	
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<b>OWNER'S EQUITY</b>		
C. Alexander, Capital		\$50,055.00
<b>Total Liabilities &amp; Equity</b>		<b><u>\$54,393.00</u></b>

So, this amount must be increased by the **Net Income**.

# Fashion Case

- Please post one transaction from the case, on the board in the following format:

1.      DR Supplies            200  
            CR Cash                200

- Make sure to review the financial statements for this case.
- Do you have the same answers?
- Make sure you know what you have done correctly and what was done incorrectly before starting the next case.

# Homework

- Please do the **Stockbroker** case, posted on the class website.

*Ledger, Trial Balance, I/S, B/S will be checked tomorrow at the start of class.*