

Creating Financial Statements - Donuts 2Go

Assignment

Assume you and a friend start a business called Donuts 2Go. You are to create an income statement and a balance sheet for business using the info below. Preferably, you should create these as an Excel spreadsheet (one way to do this is to create using Google Sheets and then download as an Excel document) Alternatively, you may create them as a Word document. You should create only one document containing both the balance sheet and the income statement.

1. Create the balance sheet for the following scenario.

You and a friend start a business called Donuts 2Go. You put up \$1500. Your friend puts up \$1000. You get a loan from your dad for \$500. You put all the money in the bank.

2. Create the income statement for the following scenario.

You and a friend start a business called Donuts 2Go. The first month, you sell \$2,000 worth of donuts. It costs you \$900 to make the donuts (for ingredients, etc). In addition, you have operating expenses of utilities (\$200), salaries (\$400), and advertising (\$300).

Submitting Your Assignment in Blackboard

Attach your balance sheet and income statement and submit in Blackboard.