

Whatsits, Inc.
Balance Sheet
December 31, 2020

Assets		Liabilities & Owners' Equity	
Current Assets		Liabilities	
Cash	\$ 173,500	Current Liabilities	
Inventory	8,000	Taxes Payable	\$ 3,300
Total Current Assets	181,500	Wages Payable	500
 		Van Payable	10,000
Fixed Assets		Total Current Liabilities	13,800
Delivery Van	\$ 15,000	Long-Term Debt	
Net Fixed Assets	15,000	Note Payable	60,000
 		Total Liabilities	73,800
Other Assets		Owners' Equity	
Security Deposit	5,000	Common Stock	\$ 120,000
 		Retained Earnings	7,700
Total Assets	\$ 201,500	Total Owners' Equity	127,700
		Total Liabilities & Owners' Equity	\$ 201,500

Whatsis, Inc.
Income Statement
For the Year Ended December 31, 2020

Sales		\$ 64,000	
Cost of Sales		<u>32,000</u>	
Gross Profit		32,000	
Operating Expenses			
Wage Expense	\$ 3,000		
Rent Expense	<u>12,000</u>		
Total Operating Expenses		<u>15,000</u>	
Income from Operations		17,000	
Other Revenues & <Expenses>			
Interest Expense		<u>< 6,000 ></u>	
Income before Taxes		11,000	
Tax Expense		<u>3,300</u>	
Net Income		<u>\$ 7,700</u>	

Earnings Per Share	<u>\$ 0.64</u>	7700 / 12,000 shares
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Whatsits, Inc.
Statement of Owners' Equity
For the Year Ended December 31, 2020

	Shares	Common Stock	Retained Earnings	Totals
Beginning Balance		\$ -	\$ -	\$ -
Issuance of Stock	12000	120,000		120,000
Net Earnings for the Year			7,700	7,700
Dividends Declared			0	0
Ending Balance	<u>12000</u>	<u>\$ 120,000</u>	<u>\$ 7,700</u>	<u>\$ 127,700</u>

Sales	64,000		
COGS	(32,000)		
Rent	(12,000)		
Wages	(3,000)		
Interest	<u>(6,000)</u>		
Taxable Income	11,000	x 30 % =	3300



Assets		=		Liabilities		+		Owners' Equity		+		Revenues		-		Expenses				
Cash				Note Payable Bank				Common Stock				Sales		Cost of Goods Sold						
1	120,000	5,000	9	-	60,000	2	-	120,000	1	-	64,000	4	5	32,000	-					
2	60,000	40,000	3																	
4	64,000	5,000	6																	
		2,500	7	<u>Van Payable</u>		<u>Retained Earnings</u>						<u>Wage Expense</u>								
		12,000	8	-	+	-	+					7		2,500	-					
		6,000	10		10,000	9							11		500					
	173,500													3,000						
<u>Inventory</u>				<u>Taxes Payable</u>										<u>Rent Expense</u>						
3	40,000	32,000	5	-	+	3,300	12							8		12,000	-			
		8,000													10		6,000			
<u>Delivery Van</u>				<u>Wages Payable</u>														<u>Interest Expense</u>		
9	15,000					-	+	500	11							12		3,300		
<u>Security Deposit</u>																		<u>Tax Expense</u>		
6	5,000																			
201,500				73,800				120,000				64,000		56,300						
				201500																

- Transaction
- 1 Sold Stock
- 2 Borrowed Money
- 3 Bought Inv
- 4 Sold Stuff
- 5 Record COGS
- 6 Paid Sec Dep
- 7 Paid Wages
- 8 Paid Rent
- 9 Bought Van
- 10 Paid Int
- 11 Record Wages Owed
- 12 Record Taxes Owed



Assets		=	Liabilities		+	Owners' Equity		+	(Revenues		-	Expenses)			
Cash			Note Payable Bank			Common Stock			Sales			Cost of Goods Sold			
	+	-	-	+		-	+		-	+		+	-		
1	120,000	5,000	9	60,000	2	120,000	1	13	64,000	64,000	4	5	32,000	32,000	13
2	60,000	40,000	3												
4	64,000	5,000	6												
		2,500	7												
		12,000	8												
		6,000	10	10,000	9		7,700	13							
	173,500														
Inventory			Taxes Payable			Retained Earnings			Wage Expense			Rent Expense			
	+	-	-	+						+	-		+	-	
3	40,000	32,000	5	3,300	12				7	2,500		8	12,000	12,000	13
	8,000								11	500					
										3,000	3,000	13			
Delivery Van			Wages Payable			Interest Expense			Tax Expense						
	+	-	-	+											
9	15,000			500	11				10	6,000	6,000	13			
Security Deposit															
	+	-													
6	5,000								12	3,300	3,300	13			
	201,500			73,800			127,700								

- Transaction
- Sold Stock
 - Borrowed Money
 - Bought Inv
 - Sold Stuff
 - Record COGS
 - Paid Sec Dep
 - Paid Wages
 - Paid Rent
 - Bought Van
 - Paid Int
 - Record Wages O
 - Record Taxes Ov
 - Closed the year