

Logan, Inc.
Income Statement
For the Year Ended December 31, 20X0

Sales	\$ 825,000
Cost of Goods Sold	<u>500,000</u>
Gross Margin	325,000
Operating Expenses	
Salary Expense	\$ 100,000
Rent Expense	75,000
Utilities Expense	40,000
Depreciation Expense	28,000
Advertising Expense	<u>19,000</u>
Total Operating Expenses	<u>262,000</u>
Operating Income	63,000
Other Revenues & <Expenses>	
Interest Expense	< <u>5,000</u> >
Taxable Income	58,000
Tax Expense	<u>18,000</u>
Net Income	<u>\$ 40,000</u>
Earnings Per Share	<u>\$ 44.44</u>

40,000 / 800 x 6/12 + 1000 x 6/12

Logan, Inc.
Balance Sheet
December 31, 20X0

Assets

Current Assets

Cash	\$108,000
Accounts Receivable	80,000
Inventory	<u>118,000</u>
Total Current Assets	306,000

Fixed Assets

Building	\$ 250,000
Equipment	<u>190,000</u>
Total Fixed Assets	440,000
Accumulated Depreciation	<u>(46,000)</u>
Net Fixed Assets	394,000

Other Assets

Patent	<u>50,000</u>
--------	----------------------

Total Assets	<u>\$ 750,000</u>
---------------------	--------------------------

Liabilities

Current Liabilities

Accounts Payable	\$ 200,000
Salaries Payable	60,000
Taxes Payable	<u>9,000</u>
Total Current Liabilities	269,000

Long-Term Debt

Notes Payable	<u>10,000</u>
Total Liabilities	279,000

Owners' Equity

Common Stock	\$ 300,000
Retained Earnings	<u>171,000</u>
Total Owners' Equity	<u>471,000</u>

Total Liabilities & Owners' Equity	<u>\$ 750,000</u>
---	--------------------------

Logan, Inc.
Statement of Owners' Equity
For the Year Ended December 31, 20X0

	<u>Shares</u>	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Beginning Balance	800	\$ 240,000	\$ 141,000	\$ 381,000
Common Stock Issued	200	60,000		60,000
Net Income			40,000	40,000
Less: Dividends Declared			< 10,000 >	< 10,000 >
Ending Balance	1,000	<u>\$ 300,000</u>	<u>\$171,000</u>	<u>\$471,000</u>