1. Based on the adjusted trial balance and additional information, prepare the following in an Excel file to give to the controller for review:
   * Balance sheet
   * Income statement
   * Statement of retained earnings
   * Statement of cash flows

The following is additional information about the Flower Shoppe that is needed for financial-statement preparation:

* Net income for the year ended December 31, 2008 was $10,845.
* Changes from the prior year's balances included the following:
  + a decrease in accounts receivable of $300.
  + a decrease in inventory of $450.
  + an increase in accounts payable of $250.
  + an decrease in accrued expenses of $100.
* Land was purchased in April for $3,500.
* Cash as of January 1, 2008 was $10,105.

|  |  |  |
| --- | --- | --- |
| **The Flower Shoppe** | | |
| **Adjusted Trial Balance** | | |
| **December 31, 2008** | | |
|  | **Debit** | **Credit** |
| Cash | $22,750 |  |
| Accounts Receivable | 3,200 |  |
| Inventory | 8,000 |  |
| Land | 27,000 |  |
| Building | 56,000 |  |
| Accumulated Depreciation |  | 16,800 |
| Accounts Payable |  | 4,600 |
| Accrued Expenses |  | 2,500 |
| Common Stock |  | 20,000 |
| Additional Paid-in Capital |  | 10,000 |
| Dividends | 1,200 |  |
| Retained Earnings |  | 53,405 |
| Sales |  | 112,020 |
| Returns | 1,300 |  |
| Purchases | 47,000 |  |
| Salaries | 38,000 |  |
| Supplies | 870 |  |
| Utilities | 5,225 |  |
| Telephone | 2,850 |  |
| Bank Charges | 330 |  |
| Depreciation Expense | 5,600 |  |
|  | **$219,325** | **$219,325** |