#1. S&R Rental’s rents and services different types of yard-improvement equipment. Information about the company’s financial performance is provided below:

Average shares outstanding $15,000

Cost of goods sold $44,000

Debt outstanding $90,000

General and administrative expenses $12,500

Income tax expense $5,300

Interest expense $8,000

Payments to owners $20,000

Rental revenue $41,000

Sales revenue $28,700

Selling revenue $5,150

Service revenue $23,900

Please calculate and enter your answers for the following totals. You should show your calculations:

a. Gross profit

b. Operating expenses

c. Operating income

d. Pretax income

e. Net income

f. Earnings per share

2. Listed below are selected account balances for Bushing Company for June 30:

Accounts payable $29,000

Accounts receivable $11,300

Accumulated depreciation $19,500

Buildings $35,000

Cash $31,000

Contributed capital $30,000

Cost of goods sold $14,600

Equipment $45,000

Interest payable $12,000

Land $40,000

Merchandise inventory $52,400

Notes payable, current portion $13,500

Notes payable, long term $33,500

Prepaid insurance $4,000

Retained earnings $81,100

Supplies on hand $3,900

Trademarks $6,000

Wages expense $22,500

Wages payable $10,000

Please calculate and enter your answers for the following totals. You should show your calculations:

1. Current assets
2. Current liabilities
3. Property, plant, and equipment
4. Total assets
5. Long-term liabilities
6. Total liabilities
7. Total stockholder’s equity
8. Total liabilities and stockholders’ equity

3. Stratfield Inc. reported the following selected information for its 2008 fiscal year.

Contributed capital at December 31,2007 $16,500

Retained earnings at December 31,2007 $11,300

Dividends $3,000

Net income $12,980

Common stock issued in 2008 $4,000

Prepare a statement of stockholders’ equity for Stratfield Inc. for the year ended December 31,2008. Left align everything so that the formatting can be retained.

#4. A list of financial statement items is given below.

1. Accounts receivable
2. Rent payable
3. Retained earnings
4. Cost of sales
5. Prepaid rent
6. Supplies expense
7. Equipment
8. Dividends
9. Depreciation expense
10. Copyrights
11. Accrued liabilities
12. Wages payable
13. Land
14. Notes payable
15. Service revenue
16. Inventory
17. Advertising expense
18. Common stock
19. Cash
20. Gross profit

Identify which of the statements each of these accounts belongs on by using the following codes: I=income statement, B=balance sheet, SE=statement of stockholders’ equity. Two of the accounts will have more than one statement on which they will actually appear. You should just enter the lettered item (such as a,b,c,etc.) and the answer (B,I, or SE) into the answer box.