|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Balance Sheet Assistance** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **Financial information related to Kate's Interiors for May and June of 2011 is as follows:** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | **May 31, 2011** |  | **June 30, 2011** |  |  |  |  |  |  |
|  | Notes Payable | $200,000 |  | $250,000 |  |  |  |  |  |  |
|  | Land |  | $500,000 |  | $575,000 |  |  |  |  |  |  |
|  | Capital Stock | $75,000 |  | $90,000 |  |  |  |  |  |  |
|  | Retained Earnings |  ? |  |  ? |  |  |  |  |  |  |
|  | Cash |  | $100,000 |  | $175,000 |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |
| **a.** | **Prepare balance sheets for Kate's Interiors as of May 31 and June 30th** |  |  |  |  |
| **b.** | **Determine the amount of net income for June, assuming that dividends of $35,000 were paid** |
| **c.** | **Determine the net cash flows from operating activities** |  |  |  |  |  |  |
| **d.** | **Determine the net cash flows from financing activities** |  |  |  |  |  |  |
| **e.** | **Determine the net increase or decrease in cash** |  |  |  |  |  |  |