

Solution:

(1)

The analysis of the transactions in April, using the balance sheet equation format are as follows:

Date of Transaction	Effect on Balance Sheet Equation		
	Assets =	Liabilities +	Stockholders' Equity
(a)	<div><div>-\$4 (inventory)</div><div>+\$3 (cash)</div><div>+\$8 (accounts receivable)</div></div>		<div><div>-\$4 (cost of goods sold)</div><div>+\$11 (sales)</div></div>
(b)	<div><div>+\$6 (inventory)</div></div>	<div><div>+\$6 (accounts payable)</div></div>	
©	<div><div>-\$5 (accounts receivables)</div><div>+\$5 (cash)</div></div>		
(d)	<div><div>-\$12 (cash)</div><div>+\$12 (other assets)</div></div>		
(e)	<div><div>-\$4 (cash)</div></div>	<div><div>-\$4 (accounts payable)</div></div>	
(f)	<div><div>-\$1 (cash)</div></div>		<div><div>-\$1 (SA expenses)</div></div>
(g)	<div><div>-\$1 (other assets)</div></div>		<div><div>-\$1 (Rent expense)</div></div>
(h)	<div><div>-\$2 (PPE)</div></div>		<div><div>-\$2 (depreciation expense)</div></div>

(2)

STATEMENT OF INCOME (in millions of \$)

Name: H.J. Heinz Co,

As Of: May 2011

Particulars	Amounts
INCOME STATEMENT:	
Sales	11
Cost of Goods Sold	(4)
Net Operating Income	7
Other revenues (expenses):	
Rent	(1)
Depreciation	(2)
Selling, administrative & general expenses	(1)
Total other revenues (expenses)	(4)
Net Income	3

(3)

The balance sheet is as follows:

CLASSIFIED & CONSOLIDATED BALANCE SHEET
(Amount in millions of \$)

Name: H.J. Heinz Co.

As Of: May 31, 2011

Particulars	Amount
ASSETS:	
Cash	715
Accounts Receivables	1,268
Inventory	1,454
Property, Plants & Equipment	2,503
Other assets	6,296
Total assets	12,236
LIABILITIES:	
Accounts Payable	1,502
Other liabilities	7,549
Total liabilities	9,051
STOCKHOLDERS' EQUITY:	
Paid in Capital	3,182
Retained Earnings:	
As of June 1, 2010	0
Add: Net Income	3
Retained Earnings as of June 30, 2010	3
Total Stockholders' equity	3,185
Total liabilities & stockholders' equity	12,236