

ACC1701X
ACCOUNTING FOR DECISION MAKERS
SEMESTER 1 2022 / 2023

TUTORIAL 1 ANSWER SOLUTION
Financial Statements Overview

Analytical Cumulative Case – HaloCrypto Inc.

(Refer also to excel solution file on Canvas)

HaloCrypto Inc.		
Statement of Financial Position		
As at 31 May 2022		
	Part (1)	Part (2)
Assets		
Current Assets:		
Cash	25,000	19,000
Receivables	27,000	27,000
Inventory	153,000	153,000
Total Current Assets	205,000	199,000
Non-current Assets:		
Property, Plant & Equipment	199,000	199,000
Less: Accumulated Depreciation	(9,000)	(9,000)
Total Non-current Assets	190,000	190,000
Total Assets	395,000	389,000
Liabilities		
Current Liabilities:		
Accounts Payable	74,000	74,000
Unearned Revenue	10,000	10,000
Total Current Liabilities	84,000	84,000
Non-current Liabilities:		
Long term Debt	207,000	207,000
Total Liabilities	291,000	291,000
Equity		
Share Capital	50,000	50,000
Retained Earnings	54,000	48,000
Total Equity	104,000	98,000
Total Liabilities & Equity	395,000	389,000

HaloCrypto Inc.		
Income Statement		
For the period 1 July 2021 to 31 May 2022		
	Part (1)	Part (2)
Sales Revenue	700,000	730,000
Cost of Goods Sold	(519,000)	(550,000)
Gross Profit	181,000	180,000
Operating Expense	(160,000)	(165,000)
Operating Income	21,000	15,000
Interest Expense	(9,000)	(9,000)
Profit Before Tax	12,000	6,000
Income Tax Expense	(4,000)	(4,000)
Net Income	8,000	2,000

SSA Textbook Tutorial Assignment:

E 2-4 (LO1, LO2) Comprehensive Accounting Equation

	Davis Seipke <u>Company</u> <u>Company</u>	Conaton <u>Company</u>	
Assets: January 1, 2022.....	\$360	\$1,080 ^(d)	\$230
Liabilities: January 1, 2022.....	280	460	80 ^(g)
Equity: January 1, 2022.....	80 ^(a)	620	150
Assets: December 31, 2022	380	1,240 ^(e)	310
Liabilities: December 31, 2022	320 ^(c)	520	90
Equity: December 31, 2022	60 ^(b)	720	220 ^(h)
Revenues in 2022	80	216 ^(f)	400
Expenses in 2022	100	116	330 ⁽ⁱ⁾

Workings:

- (a) Assets 360 – Liabilities 280 = Equity 80
 - (b) Beg Equity 80 + (Rev 80 – Exp 100) = End Equity 60
 - (c) Assets 380 – Equity 60 = Liabilities 320
 - (d) Liabilities 460 + Equity 620 = Assets 1,080
 - (e) Liabilities 520 + Equity 720 = Assets 1,240
 - (f) End Equity 720 – Beg Equity 620 + Exp 116 = Rev 216
 - (g) Assets 230 – Equity 150 = Liabilities 80
 - (h) Assets 310 – Liabilities 90 = Equity 220
 - (i) Beg Equity 150 + Rev 400 – End Equity 220 = Exp 330
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