

Mock_Financial_Reporting_for_Compliance				
General Ledger				
Date	Account	Debit (\$)	Credit (\$)	Description
Jan 1, 2024	Cash	\$100,000		Initial capital investment
Jan 15, 2024	Revenue - Coffee Sales		\$50,000	Monthly sales revenue
Jan 30, 2024	Salaries Expense	\$20,000		Employee salaries
Jan 30, 2024	Accounts Payable		\$5,000	Supplier payment pending
Income Statement				
Account	Amount (\$)			
Revenue	\$500,000			
(-) Cost of Goods Sold	\$150,000			
Gross Profit	\$350,000			
(-) Operating Expenses				
Salaries	\$120,000			
Rent	\$50,000			
Marketing	\$30,000			
Total Expenses	\$200,000			
Net Income	\$150,000			
Balance Sheet				
Assets	Amount (\$)	Liabilities & Equity	Amount (\$)	
Cash	\$50,000	Accounts Payable	\$5,000	
Accounts Receivable	\$20,000	Loans Payable	\$30,000	
Inventory	\$10,000	Owner's Equity	\$115,000	
Equipment	\$70,000	Total Liabilities & Equity	\$150,000	
Total Assets	\$150,000			
Cash Flow Statement				
Category	Amount (\$)			
Operating Activities:				
Net Income	\$150,000			
Changes in Working Capital	-\$10,000			
Cash from Operations	\$140,000			
Investing Activities:				
Purchase of Equipment	-\$70,000			
Cash from Investing	-\$70,000			
Financing Activities:				
Loan Repayment	-\$10,000			
Cash from Financing	-\$10,000			
Net Increase in Cash	\$60,000			

Objective: Prepare mock financial statements (Balance Sheet, Income Statement, and Cash Flow Statement) for a hypothetical company to showcase compliance with GAAP principles.

Company Details:

Name: Delta Coffee Co.

Industry: Coffee Products

Revenue: \$500,000 per year

Expenses: \$300,000 per year