

TABLE 12-1 Balance Sheet for Brookston Feed
and Grain Company
December 31, 2001

(a)	Assets		
(b)	Current Assets:		
(c)	Cash		\$115,000
(d)	Accounts Receivable		240,000
(e)	Inventory		310,000
(f)	Prepaid Expenses		20,000
(g)	<u>Other</u>		<u>5,000</u>
(h)	Total Current Assets		\$690,000
(i)	Fixed Assets:		
(j)	Land		115,000
(k)	Building	490,000	
(l)	<u>Less: Accumulated Depreciation</u>	<u>85,000</u>	
(m)			405,000
(n)	Equipment	660,000	
(o)	<u>Less: Accumulated Depreciation</u>	<u>135,000</u>	
(p)			525,000
(q)	Total Fixed Assets		1,045,000
(r)	Other Assets		<u>10,000</u>
(s)	Total Assets		\$1,745,000
(aa)	Liabilities		
(bb)	Current Liabilities:		
(cc)	Accounts Payable		210,000
(dd)	Notes Payable		125,000
(ee)	Accrued Expenses		70,000
(ff)	<u>Advances</u>		<u>27,000</u>
(gg)	Total Current Liabilities		\$432,000
(hh)	Long-Term Liabilities:		
(ii)	Mortgages		200,000
(jj)	<u>Other</u>		<u>138,000</u>
(kk)	Total Long-Term Liabilities		\$338,000
(ll)	Total Liabilities		\$770,000
(mm)	Owner's Equity		
(nn)	Owner-invested Capital:		
(oo)	Common Stock		195,000
(pp)	<u>Retained Earnings</u>		<u>780,000</u>
(qq)	Total Owner's Equity		\$975,000
(rr)	Total Liabilities and Owner's Equity		\$1,745,000

TABLE 12-2 Income Statement for Brookston Feed and Grain Company
Year Ending December 31, 2001

(a)	Sales:		
	Grain and Soybeans	3,120,000	
	Seed	260,000	
	Fertilizer and Chemicals	780,000	
	Feed	780,000	
	Miscellaneous Supplies	156,000	
	<u>Service Income</u>	<u>104,000</u>	
	Total Sales	5,200,000	100.00%
(b)	Cost of Goods Sold:		
	Grain and Soybeans	2,995,200	
	Seed	202,800	
	Fertilizer and Chemicals	694,200	
	Feed	624,000	
	Miscellaneous Supplies	131,040	
	<u>Service Expense</u>	<u>0</u>	
	Total Cost of Goods Sold	4,647,240	89.37%
(c)	Gross Profit	552,760	10.63%
(d)	Operating Expenses:		
(e)	Salaries and Benefits	81,200	1.56%
(f)	Full-time Wages	57,400	1.10%
(g)	Part-time Wages	10,400	0.20%
(h)	Commissions	15,600	0.30%
(i)	Depreciation	52,400	1.01%
(j)	Maintenance and Repairs	38,980	0.75%
(k)	Utilities	20,800	0.40%
(l)	Insurance	26,000	0.50%
(m)	Office Supplies/Expense	10,400	0.20%
(n)	Advertising/Promotion	13,000	0.25%
(o)	Gas and Oil	17,740	0.34%
(p)	Delivery and Freight	57,200	1.10%
(q)	Rent	7,800	0.15%
(r)	Taxes, Licenses, Fees	12,000	0.23%
(s)	Miscellaneous	8,300	0.16%
(t)	Payroll Tax	10,900	0.21%
(u)	<u>Bad Debt</u>	<u>3,640</u>	<u>0.07%</u>
(v)	Total Operating Expenses	443,760	8.53%
(w)	Net Operating Profit	109,000	2.10%
(x)	Other Revenue	18,200	0.35%
(y)	<u>Interest Expense</u>	<u>35,000</u>	<u>0.67%</u>
(z)	Net Profit Before Taxes	92,200	1.78%
(aa)	<u>Taxes</u>	<u>27,400</u>	<u>0.53%</u>
(bb)	Net Profit After Taxes	64,800	1.25%