

2. Financial Statements – Statement of Financial Position (Balance Sheet) and Income Statement

Exercise 1

Name the three key financial statements and briefly describe each.

Exercise 2

Analyse a sample balance sheet and income statement of a company. What conclusions can be drawn about the financial situation?

Exercise 3

A company reported the following data for the year:

- Assets: \$1,200,000
- Liabilities: \$500,000

Calculate the company's equity.

Exercise 4

Company XYZ started operations with an initial investment of \$1,000,000. During the first year, it had revenue of \$600,000 and expenses of \$400,000. What is the net income, and how does equity change?

Exercise 5

A company reported the following data for the year:

- Assets: \$1,200,000
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Exercise 6

Company XYZ started operations with an initial investment of \$1,000,000. During the first year, it had revenue of \$600,000 and expenses of \$400,000. What is the net income, and how does equity change?

Exercise 7

A company had revenue of \$3,000,000 and expenses of \$2,200,000 in 2023. Calculate the net profit.

Exercise 8

A company has the following financial data:

- Assets: \$2,500,000
- Liabilities: \$1,500,000

What is the equity?