

**Acc 433 Tax Problem Fall 2004**

	12/31/2003	12/31/2004
<b>INCOME</b>		
Fees		175,000.00
Cost Of Goods Sold	-	(21,000.00)
Div Income	-	1,000.00
Interst Income	-	450.00
Tax Exempt Income	-	275.00
<b>TOTAL INCOME</b>	<b>-</b>	<b>155,725.00</b>

**EXPENSES**

Business Travel	-	5,000.00
Calif Taxes	-	800.00
Charity	-	6,000.00
Computers	-	4,500.00
Employees Salary	-	78,000.00
Est. Fed. Income Tax	-	3,500.00
Meal And Entertainment	-	3,000.00
Nadir Contribution	-	500.00
Officer Salary	-	16,000.00
Rent	15,000.00	5,000.00
Taxes Payroll	-	4,000.00
<b>TOTAL EXPENSES</b>	<b>15,000.00</b>	<b>126,300.00</b>
<b>TOTAL INCOME - EXPENSES</b>	<b>(15,000.00)</b>	<b>29,425.00</b>

**Balance Sheet**

	12/31/2003	12/31/2004
<b>ASSETS</b>		
Cash and Bank Accounts		
Bank Account	85,000.00	84,425.00
stocks	-	10,000.00
Tax Ex Bond	-	20,000.00
<b>Total Assets</b>	<b>85,000.00</b>	<b>114,425.00</b>

**LIABILITIES & EQUITY****LIABILITIES**

Other Liabilities		
loan from owner	70,000.00	70,000.00
owner's equity	30,000.00	30,000.00
P & L	(15,000.00)	14,425.00
<b>TOTAL LIAB. &amp; EQUITY</b>	<b>85,000.00</b>	<b>114,425.00</b>

Beg P & L		(15,000.00)
Current P & L		29,425.00
Ending P & L		<b>14,425.00</b>