

Name:

Date:

Class:

## Pro Forma Balance Sheet

### Skill:

- Analysis (AN)

### Time on Task:

- 15–20 minutes

### Goal/Purpose:

- The goal of this activity is to prepare a pro forma balance sheet for your start-up business.

*Your friend Jayden is launching a baking business and is not sure if they need to take on investors. As such, they have asked you to look over their assets and liabilities to help them prepare a pro forma balance sheet. Using the information provided, prepare a pro forma balance sheet for Jay's Sweet Treats.*

- Jayden current has savings of \$2,000 in the bank and has also saved an additional \$900 from their current job making \$300 each week.
  - Jayden owns a laptop computer and a printer, which could be used for the business. The combined value of the laptop and printer is \$1,400.
  - Jayden also owns a smartphone valued at \$900 and will use the phone for the business.
  - Jayden borrowed \$1,500 from their grandparents to purchase baking equipment. Their grandparents are not charging interest but expect to be paid back within a year.
  - Jayden has already catered a wedding and is awaiting payment of \$875, which is due this week.
  - Currently, Jayden is baking out of their parents' home and will continue to do so. Jayden's parents do not charge them rent or utilities.
  - Jayden used a credit card for baking supplies and has a \$75 balance.
1. Provide the name of Jayden's business and the date you plan to create the balance sheet. at the top of the balance sheet.

**Answer:**

2. List all available business assets according to the following categories.

a. Cash

Answer:

b. Equipment

Answer:

c. Accounts Receivable

Answer:

d. Total Assets

Answer:

3. List all business liabilities according to the following categories.

a. Accounts Payable

Answer:

b. Notes Payable

Answer:

c. Total Liabilities

Answer:

4. Calculate total owner's equity according to the following categories.

a. Capital

Answer:

b. Total Liabilities and Owner's Equity

Answer: