

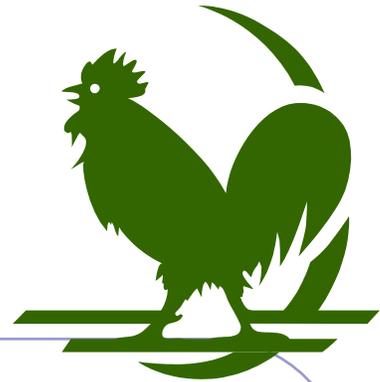
Name: Answer Key

STARTING YOUR OWN SMALL BUSINESS

Your school has received a donation of \$1,850.00 to begin a student-run business. You and your classmates decide to raise chickens for meat, which you will sell at the local market .

You purchase materials to build a chicken coop for \$1268.85, a flock of 60 chicks for \$162.00, and chicken feed for \$404.50.

At the market, you are able to sell a total of 163 lb. of meat at \$3.00/lb.



Balance Sheet: Year 1

Use this balance sheet to find the net profit (total earnings) of your business in its first year! In the balance column, subtract any money you spend and add any money you receive during the year.

| | Credits Any <i>money you receive</i> ; list these amounts as positive numbers | Debits Any <i>money you spend</i> ; list these amounts as negative numbers | Balance Add or subtract from the existing balance any money you receive or spend |
|---|---|--|--|
| Donation to the school | + \$1,850.00 | | ▶ \$ 1,850.00 |
| Building materials | | - \$1268.85 | ▶ (- \$1,268.85) \$ 581.15 |
| Flock of chicks | | - \$ 162.00 | ▶ (-\$ 162.00) \$ 419.15 |
| Chicken feed | | - \$ 404.50 | ▶ (-\$ 404.50) \$ 14.65 |
| Meat sales (Price of meat x pounds sold) | + \$ 489.00 (163lb. X \$3.00) | | ▶ (+\$ 489.00) |
| Net Profit : End of Year 1 | | | \$503.65 |