

Digital Volleyball Academy Case

Mr. Singh was fortunate enough to have a daughter in August of 2018. After his daughter was born, he realized he couldn't be trading time for dollars anymore, so he decided to start an online business which he called Digital Volleyball Academy. He began by investing his laptop worth \$500, his Ipad worth \$300 as well as an editing software for \$200. He did a group coaching session for 10 coaches in which he charged \$10 000. He finally saw some revenue come in and decided to purchase an entire computer set up worth \$3000. He did another group coaching session for \$5000. All coaches paid upfront except coach Robert who owes \$500. Mr. Singh doesn't have to worry about paying rent since it's an online business but he does have to pay a monthly fee of \$100 to use a website. He pays for the month of September. Mr. Singh went to Best Buy and purchased a new monitor for \$1000. He paid half and the rest on account. After the great start to his business, he decided to find a gym to rent. Rent for gyms are expensive as it will cost him \$2000 a month to rent. He pays for the month of September. As months go by, he decides he's done with paying rent and wants to purchase a gym. He gets approved for a mortgage of \$500,000 and uses that to buy a gymnasium.

Task: Record each transaction and create an Income Statement for the end of the period.