Record the items below on the equation analysis sheet. Do not forget to calculate the figures for Total Assets, Total Liabilities, Capital, and Total Liabilities & Owner's Equity.

|  |
| --- |
| **Alliance Appliance Service**  |
| **Balance Sheet** |
| **--Date--** |
| **Assets** |   |   | **Liabilities** |   |
| Cash | $1395 |   | Bank Loan | $5000 |
| A/R - N Chang | 100 |   | Mortgage Payable | 52700 |
| A/R - P.O'Neil | 527 |   | Total Liabilities |   |
| Equipment | 8316 |   | **Owner's Equity** |   |
| Trucks | 19750 |   | Dalli, Capital |   |
| Land | 40000 |   |   |   |
| Building | 80000 |   |   |   |
| Total Assets |   |   | **Total Liabilities and Equity** |   |

**Step 2:**

Analyze the transactions of October 21, listed below, and record the necessary changes on the equation analysis sheet. Remember that the accounting equation must always remain in balance!

**Transactions:**

1. The owner, in need of money for his personal use, draws $500 cash out of the business.
2. P. O'Neil pays her debt of $527.
3. A repair service is performed for a customer. The customer pays the full amount of the bill, $90, in cash.
4. A new electrical tester is purchased for $410 and paid for in cash.
5. The regular monthly mortgage payment of $900 in cash is made.
6. A new Truck is bought for $20,000. It was bought on credit from Tasty Sweet Dealership
7. $1000 is donated to the Children’s and Women’s Hospital
8. N Chang pays his debt in full.
9. More land is purchased at a value of $10,000. $5000 was paid in cash, $5,000 was through a Bank Loan.
10. Received $250 cash for preforming a service to a customer
11. Preformed a service for $500 and billed the customer to pay within 15 days.

**Step 3:**

After completing the transactions, calculate the new totals and ensure that the equation is still in balance. Then prepare a new balance sheet.