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.