

Assignment
Principle of accounting

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Id : 13675

Problem No. 2.6

Red River Farms
Balance Sheet
Sep 30, 2001

| Assets | | Liabilities & owner's equity |
|-------------------|----------|------------------------------|
| Cash | 16,710 | account payable 77,095 |
| acc fee | 22,365 | Note payable 530,000 |
| Land | 550,000 | Property tax payable 9,135 |
| Fences & gates | \$33,570 | wages payable 1820 |
| Barns & sheds | 78,300 | |
| Citrus trees | 76,650 | <hr/> 618050 |
| Irrigation system | 20,125 | |
| Live stock | 120,780 | Hali's Robert Capital |
| Farm machinery | 42970 | = 34342 |
| Total | 961,470 | Total 961,470 |

Problem No. 2.7

soln

- a) Purchase Land & sign Note Payble
- b) Pay the note payable
- c) Purchase equipment on cash
- d) owner invest in the business
- e) purchase Land for 20% cash
and for other sign note payable.