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Assignment: Exercise 3.3

1)cash .....	120000
Joe Gutierrez capital .....	120000
Owner invested cash in the business	
8 land.....	70000
Building.....	58000
Note payable.....	33600
Purchase land and building.....	95000
18 Office equipment .....	3200
Account payable.....	3200
21 Account payable .....	480
Office equipment.....	480
25 Notes payable .....	12000
Cash.....	12000
30 Vehicle .....	9400
Joe capital.....	9400

#### Mid Assignment

Sorry for the late submission of Assignment the reason is that I was register on 18 August.

Problem 2-6

Red River farms

Balance sheet

September 30,2001

Assets		liabilities and owners equity	
Cash	16710	liabilities	
Account payable	22365	Notes payable	53000
Land	55000	Account payable	77095
Barns and sheds	78300	property taxes payable	9135
Citrus trees	76650	wages payable	1820
Lives stock	120780	total liabilities	618050
Irrigation system	20125	owners equity	343420
Farm machinery	42790		
Fences and gates	33570		
Total	961470		961470

#### Exercise 2.7-A

- The purchase of office equipment on credit will cause an increase in the asset and an increase in liability
- The payment of the account payable are not payable will cause a decrease in the asset cash and a decrease in the liability paid
- The collection of an account receivable will cause an increase in one asset and a decrease in another asset
- The investment of cash in the business by the owner will cause an increase in an asset and an increase in the owner equity
- The purchase of an automobile paying part of the cost in cash and promising to pay the remainder at a later time would cause an increase in one asset, a decrease in another asset, and an increase in liability by the amount of the unpaid portion