

a)

	<u>Assets</u>				=	<u>Liabilities</u>	+	<u>Owner's Equity</u>
<u>Transaction</u>	<u>Cash</u>	<u>Accounts Receivable</u>	<u>Truck</u>	<u>Gardening Equipment</u>		<u>Note Payable</u>	<u>Accounts Payable</u>	<u>Singh, Capital</u>
1	+\$800	-\$800						
2	- 1,800						- 1,800	
								Revenue
3	20,600	+ 4,800						+25,400 earned
4	- 500			+ 500				
								Salaries
5	- 2,600							- 2,600 Expense
								-3,000 Sod exper
								Telephone
								- 450 expense
6	- 2,000							- 2,000 Drawing
7	+1,000					+ 1,000		
								Utilities
8							+ 1,845	- 1,845 expense
	\$12,050	\$ 4,000	\$ -	\$ 500		\$ 1,000	\$ 45	\$15,505
	=====	=====		=====		=====	=====	=====
	Total increase in Assets \$16,050					Total increase in Liabilities and Owner's Equity \$16,050		

b)

**SANDIV SINGH
Landscaper
Income Statement
For the Month Ended May 31, 2003**

Revenues	\$ 25,400
Expenses	
Salaries Expense	2,600
Sod expense	3,000
Telephone expense	450
Utilities expense	<u>1,845</u>

Total expenses	<u>7,895</u>
Net income	\$ 17,505 =====

**SANDIV SINGH
Landscaper
Statement of Owner's Equity
For the Month Ended May 31, 2003**

Sandiv Singh, Capital, May 1	\$ 9,900
Add: Investment	-
Net income	<u>17,505</u>
Less: Drawings	<u>2,000</u>
Sandiv Singh, Capital, May 31	\$ 25,405 =====

**SANDIV SINGH
Landscaper
Balance sheet
May 31, 2003**

Cash	\$ 14,050
Accounts receivable	5,000
Truck	6,000
Gardening equipment	<u>2,400</u>
Total assets	27,450 =====
Accounts payable	\$ 1,045
Note payable	<u>1,000</u>
Total liabilities	<u>2,045</u>
Owner's equity	
Sandiv Singh, Capital, May 31	<u>25,405</u>
Total liabilities and owner's equity	\$ 27,450 =====

