

Solution:

(1)

+ \$13,000 (machinery & equipment)

-\$4,000 (cash)

+ \$9,000 (notes payable)

(2)

-\$7,000 (account payable)

-\$7,000 (cash)

(3)

-\$6,000 (land)

+ \$6,000 (cash)

(4)

Not required

(5)

+ \$23,000 (paid in capital)

-\$23,000 (long term debt)

The balance sheet is as follows:

BALANCE SHEET (in £)

Name: Southampton Company

As Of: 29 November, 2011

Particulars	Amount
ASSETS:	
Cash	17,000
Merchandise Inventory	29,000
Land	35,000
Furniture & Fixtures	8,000
Building	241,000
Machinery & Equipment	33,000
Total assets	363,000
LIABILITIES:	
Accounts Payable	9,000
Notes Payable	30,000
Long-term debt	111,000
Total liabilities	150,000
STOCKHOLDERS' EQUITY:	
Paid in Capital	213,000
Total stockholders' equity	213,000
Total liabilities and stockholders' equity	363,000