



ROYAL TRADERS

S.N.	Transactions	Assets		=	Capital + Liabilities			
		Cash	+	Stock	=	Capital	+	Outstanding Expenses
		₹		₹		₹		₹
(a)	Started Business with Cash ₹1,20,000	1,20,000			=	1,20,000		
(b)	Purchased goods for cash ₹10,000	-10,000	+	10,000	=			
	New Equation	1,10,000	+	10,000	=	1,20,000		
(c)	Rent received ₹5,000	5,000			=	5,000		
	New Equation	1,15,000	+	10,000	=	1,25,000		
(d)	Salary outstanding ₹2,000				=	-2,000	+	2,000
	New Equation	1,15,000	+	10,000	=	1,23,000	+	2,000
(e)	Received interest ₹700	700			=	700		
	New Equation	1,15,700	+	10,000	=	1,23,700	+	2,000
(f)	Sold goods for cash (costing ₹5,000) for ₹7,000	7,000	-	5,000	=	2,000		
	New Equation	1,22,700	+	5,000	=	1,25,700	+	2,000
(g)	Goods destroyed by fire ₹500			-500	=	-500		
	New Equation	1,22,700	+	4,500	=	1,25,200	+	2,000