



(A)

S.N.	Transactions	Assets			=	Capital + Liabilities				
		Cash ₹	+	Stock ₹	+	Debtors ₹	=	Capital ₹	+	Creditors ₹
1	Started business with cash ₹75,000 and goods ₹25,000.	75,000	+	25,000	=			1,00,000		
2	Paid for Rent ₹2,000.	-2,000			=			-2,000		
	New Equation	73,000	+	25,000	=			98,000		
3	Bought goods for cash ₹30,000 and on credit for ₹44,000.	-30,000	+	74,000	=					44,000
	New Equation	43,000	+	99,000	=			98,000	+	44,000
4	Goods costing ₹50,000 sold at a profit of 25%, out of which ₹27,500 received in Cash.	27,500	-	50,000	+	35,000	=	12,500		
	New Equation	70,500	+	49,000	+	35,000	=	1,10,500	+	44,000
5	Purchased a Motor-cycle for personal use ₹20,000.	-20,000					=	-20,000		
	New Equation	50,500	+	49,000	+	35,000	=	90,500	+	44,000



(B)

RAGHU

S.N.	Transactions	Assets			=	Capital + Liabilities	
		Cash ₹	+ Stock ₹	+ Debtors ₹	=	Capital ₹	+ Creditors ₹
1	Raghu started business with Cash ₹1,50,000.	1,50,000	+		=	1,50,000	
2	Bought goods for cash ₹80,000 and on credit for ₹40,000.	-80,000	+	1,20,000	=		40,000
	New Equation	70,000	+	1,20,000	=	1,50,000	40,000
3	Goods costing ₹75,000 sold at a profit of 33%. Half the payment received in cash.	50,000	-	75,000	+	50,000	= 25,000
	New Equation	1,20,000	+	45,000	+	50,000	= 1,75,000 + 40,000
4	Goods costing ₹10,000 sold for ₹12,000 on credit.		-	10,000	+	12,000	= 2,000
	New Equation	1,20,000	+	35,000	+	62,000	= 1,77,000 + 40,000
5	Paid for Rent ₹2,000 and for salaries ₹4,000.	-6,000					= -6,000
	New Equation	1,14,000	+	35,000	+	62,000	= 1,71,000 + 40,000
6	Goods costing ₹20,000 sold for ₹18,500 for Cash.	18,500	-	20,000			= -1,500
	New Equation	1,32,500	+	15,000	+	62,000	= 1,69,500 + 40,000



Balance Sheet

As at

Liabilities	Rs.	Assets	Rs.
Capital	1,69,500	Cash	1,32,500
Creditors	40,000	Stock	15,000
		Debtors	62,000
Total	2,09,500	Total	2,09,500

