



S.N.	Transactions	Assets			=	Capital + Liabilities	
		Cash ₹	+ Stock ₹	+ Debtors ₹	=	Capital ₹	+ Creditors ₹
(i)	Started business with Cash ₹60,000 and Goods ₹30,000.	60,000	+ 30,000		=	90,000	
(ii)	Purchased goods for Cash ₹40,000 and on Credit ₹25,000.	-40,000	+ 65,000		=		25,000
	<b>New Equation</b>	<b>20,000</b>	<b>+ 95,000</b>		=	<b>90,000</b>	<b>25,000</b>
(iii)	Goods costing ₹48,000 sold at a profit of 33½%. Three-fourth payment received in Cash	48,000	- 48,000	+ 16,000	=	16,000	
	<b>New Equation</b>	<b>68,000</b>	<b>+ 47,000</b>	<b>+ 16,000</b>	=	<b>1,06,000</b>	<b>+ 25,000</b>
(iv)	Goods costing ₹20,000 sold at a loss of 5%, out of which, ₹12,000 received in Cash.	12,000	- 20,000	+ 7,000	=	-1,000	
	<b>New Equation</b>	<b>80,000</b>	<b>+ 27,000</b>	<b>+ 23,000</b>	=	<b>1,05,000</b>	<b>+ 25,000</b>
(v)	Paid Rent ₹4,000 and Salary ₹6,000.	-10,000			=	-10,000	
	<b>New Equation</b>	<b>70,000</b>	<b>+ 27,000</b>	<b>+ 23,000</b>	=	<b>95,000</b>	<b>+ 25,000</b>
(vi)	Received Cash from Debtors ₹15,000.	15,000		- 15,000	=		
	<b>New Equation</b>	<b>85,000</b>	<b>+ 27,000</b>	<b>+ 8,000</b>	=	<b>95,000</b>	<b>+ 25,000</b>
(vii)	Paid telephone bill amounting to ₹800.	-800			=	-800	
	<b>New Equation</b>	<b>84,200</b>	<b>+ 27,000</b>	<b>+ 8,000</b>	=	<b>94,200</b>	<b>+ 25,000</b>



**Balance Sheet**

As at .....

<b>Liabilities</b>	<b>Rs.</b>	<b>Assets</b>	<b>Rs.</b>
Capital	94,200	Cash	84,200
Creditors	25,000	Stock	27,000
		Debtors	8,000
<b>Total</b>	<b>1,19,200</b>	<b>Total</b>	<b>1,19,200</b>

