



ROHIT

S.N.	Transactions	Assets			=	Capital + Liabilities				
		Cash ₹	+ Machinery ₹	+ Stock ₹	=	Capital ₹	+ Creditors ₹	+ Advance Commission ₹		
(a)	Commenced business with cash ₹1,50,000	1,50,000			=	1,50,000				
(b)	Purchased machinery on credit ₹40,000		40,000		=		40,000			
	<b>New Equation</b>	<b>1,50,000</b>	<b>+</b>	<b>40,000</b>	<b>=</b>	<b>1,50,000</b>	<b>+</b>	<b>40,000</b>		
(c)	Purchased goods for cash ₹20,000	-20,000		+ 20,000	=	-				
	<b>New Equation</b>	<b>1,30,000</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>20,000</b>	<b>=</b>	<b>1,50,000</b>	<b>+</b>	<b>40,000</b>
(d)	Purchased car for personal use ₹80,000	-80,000			=	-80,000				
	<b>New Equation</b>	<b>50,000</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>20,000</b>	<b>=</b>	<b>70,000</b>	<b>+</b>	<b>40,000</b>
(e)	Paid to creditors in full settlement ₹38,000	-38,000			=	2,000	-	40,000		
	<b>New Equation</b>	<b>12,000</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>20,000</b>	<b>=</b>	<b>72,000</b>	<b>-</b>	
(f)	Sold goods for cash costing ₹5,000 for ₹4,500	4,500		- 5,000	=	-500				
	<b>New Equation</b>	<b>16,500</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>15,000</b>	<b>=</b>	<b>71,500</b>		
(g)	Paid rent ₹1,000	-1,000			=	-1,000				
	<b>New Equation</b>	<b>15,500</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>15,000</b>	<b>=</b>	<b>70,500</b>		
(h)	Commission received in advance ₹2,000	2,000			=			2,000		
	<b>New Equation</b>	<b>17,500</b>	<b>+</b>	<b>40,000</b>	<b>+</b>	<b>15,000</b>	<b>=</b>	<b>70,500</b>	<b>+</b>	<b>2,000</b>