



MOHAN

S.N.	Transactions	Assets			=	Capital + Liabilities		
		Cash +	Stock +	Furniture	=	Capital +	Creditors (Goods) +	Creditors (Furniture)
		₹	₹	₹	=	₹	₹	₹
(i)	Mohan commenced business with cash ₹50,000	50,000			=	50,000		
(ii)	Purchased goods for cash ₹30,000	-30,000	30,000		=			
	<b>New Equation</b>	<b>20,000</b>	<b>30,000</b>	<b>-</b>	<b>=</b>	<b>50,000</b>		<b>-</b>
(iii)	Purchased goods on credit ₹20,000		20,000		=		20,000	
	<b>New Equation</b>	<b>20,000</b>	<b>50,000</b>	<b>-</b>	<b>=</b>	<b>50,000</b>	<b>20,000</b>	<b>-</b>
(iv)	Sold goods (costing ₹10,000) for ₹12,000	12,000	-10,000		=	2,000		
	<b>New Equation</b>	<b>32,000</b>	<b>40,000</b>	<b>-</b>	<b>=</b>	<b>52,000</b>	<b>20,000</b>	<b>-</b>
(v)	Bought furniture on credit ₹2,000			2,000	=			2,000
	<b>New Equation</b>	<b>32,000</b>	<b>40,000</b>	<b>2,000</b>	<b>=</b>	<b>52,000</b>	<b>20,000</b>	<b>2,000</b>
(vi)	Paid cash to a creditor ₹15,000	-15,000			=		-15,000	
	<b>New Equation</b>	<b>17,000</b>	<b>40,000</b>	<b>2,000</b>	<b>=</b>	<b>52,000</b>	<b>5,000</b>	<b>2,000</b>
(vii)	Salary paid ₹1,000	-1,000			=	-1,000		
	<b>New Equation</b>	<b>16,000</b>	<b>40,000</b>	<b>2,000</b>	<b>=</b>	<b>51,000</b>	<b>5,000</b>	<b>2,000</b>