



ROYAL TRADERS

S.N.	Transactions	Assets		=	Capital + Liabilities	
		Cash +	Stock	=	Capital +	Outstanding
		₹	₹		₹	Salary
(a)	Started business with cash of ₹1,20,000	1,20,000		=	1,20,000	
(b)	Purchased goods for cash ₹10,000	-10,000	10,000	=		
	<b>New Equation</b>	<b>1,10,000</b>	<b>10,000</b>	=	<b>1,20,000</b>	<b>-</b>
(c)	Rent received ₹5,000	5,000		=	5,000	
	<b>New Equation</b>	<b>1,15,000</b>	<b>10,000</b>	=	<b>1,25,000</b>	<b>-</b>
(d)	Salary outstanding ₹2,000			=	-2,000	2,000
	<b>New Equation</b>	<b>1,15,000</b>	<b>10,000</b>	=	<b>1,23,000</b>	<b>2,000</b>
(e)	Sold goods for cash (costing ₹5,000) for ₹7,000	7,000	-5,000	=	2,000	
	<b>New Equation</b>	<b>1,22,000</b>	<b>5,000</b>	=	<b>1,25,000</b>	<b>2,000</b>
(f)	Goods destroyed by fire ₹500		-500	=	-500	
	<b>New Equation</b>	<b>1,22,000</b>	<b>4,500</b>	=	<b>1,24,500</b>	<b>2,000</b>