



S.N.	Transactions	Assets			=	Capital + Liabilities	
		Cash + ₹	Stock + ₹	Debtors ₹	=	Capital + ₹	Creditors ₹
(a)	Started business with cash ₹1,00,000	1,00,000			=	1,00,000	
(b)	Purchased goods for cash ₹20,000 and on credit ₹30,000	-20,000	50,000		=		30,000
	<b>New Equation</b>	<b>80,000</b>	<b>50,000</b>	-	=	<b>1,00,000</b>	<b>30,000</b>
(c)	Sold goods for cash costing ₹10,000 and on credit costing ₹15,000 both at a profit of 20%	12,000	-25,000	18,000	=	5,000	
	<b>New Equation</b>	<b>92,000</b>	<b>25,000</b>	<b>18,000</b>	=	<b>1,05,000</b>	<b>30,000</b>
(d)	Paid salaries ₹8,000	-8,000			=	-8,000	
	<b>New Equation</b>	<b>84,000</b>	<b>25,000</b>	<b>18,000</b>	=	<b>97,000</b>	<b>30,000</b>