



Given:

Capital = ₹40,000

Creditors = ₹25,000

Revenue during the period = ₹50,000

Expenses during the period = ₹40,000

Profit during the period = ₹50,000 - ₹40,000

Profit during the period = ₹10,000

Closing Capital = Opening Capital + Profit during the period

Closing Capital = ₹40,000 + ₹10,000

Closing Capital = ₹50,000

Capital + Liabilities = Assets

or, Assets = Capital + Liabilities

Total Assets = ₹50,000 + ₹25,000

Total Assets = ₹75,000

