

ACCOUNTING EQUATION

Presentation of Various Transactions in Accounting Equation:

ACCOUNTING EQUATION									
SL	TRANSACTIONS	A S S E T S						=	LIABILITIES + CAPITAL
		Cash	Machine	Stock	Debtor	Bank	Computer		Creditor Rent Due
	Previous Equation:	1,38,500	+2,00,000	+45,000		1,00,000			1,000+ 4,82,500
16.	Issue a cheque for payment of Rent Due					(-)1,000			(-)1,000
	New Equation:	1,38,500	+2,00,000	+ 45,000	-	99,000		-	- 4,82,500
17.	Provide Depreciation @10% on Machine		(-)20,000						(-)20,000
	New Equation:	1,38,500	+1,80,000	+ 45,000	-	99,000		-	- 4,62,500
18.	Purchased Computer worth Rs.60,000 & paid half by Cheque immediately					(-)30,000	60,000	30,000	
	New Equation:	1,38,500	+1,80,000	+ 45,000	-	69,000	+60,000	30,000+	- 4,62,500
19.	Provide Interest on Capital @10%								46,250
	New Equation:	1,38,500	+1,80,000	+ 45,000	-	69,000	+60,000	30,000+	- 4,62,500