

3. Show the Accounting Equation on the basis of the following transactions and present a Balance Sheet on the last new equation balance: **(4 marks)**

(i) Commenced business with cash ` 50,000, cheque ` 1,00,000, goods ` 30,000 and furniture ` 20,000.

(ii) Car, personal asset of the proprietor, was sold for ` 1,00,000 against cheque which he deposited in his Savings Account.

(iii) An amount of ` 50,000 was transferred from his Savings Account to the firm's Bank Account.

(iv) A new car was purchased for ` 6,00,000 for office use. It was paid by taking loan from Bank of ` 5,00,000 and balance by issue of cheque from firm's Bank Account.