



Department of Education, Sabaragamuwa/weekly school

week- July 2

Subject-Accounting

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Grade-12

Competency 2.0 – Presents transactions and events of a business through an accounting equation.

Competency Level 2.1- Evaluates how the total assets of a business agree with its total of liabilities and equity.

The account balances of Thushan's business as at January 01, 2017 is as follows:

	(Rs.'000s)
Land & Buildings	4,000
Motor Bus	2,000
Cash	500
Bank loan	1,500

The transactions during the first week of January were as follows (All figures in Rs.'000's)

1. Paid Rs.50 to purchase a stock of goods.
2. Paid bank loan installment Rs.500.
3. Purchased a stock of goods on credit from Chathura Rs.250.
4. As the brand of the goods requested differed goods worth Rs.25 was returned to Chathura.
5. Thushan withdrew Rs.50 for personal expenses.

Required:

1. Insert the above transactions in the equation 'Assets = Equity + Liabilities'.
2. Calculate the final totals for Equity, Assets and Liabilities after all the transactions.