1. Problem No 3:

I/S

Lesson Revenue 7500

\_ Exp

Advertising Exp 500

Rent “ 1200

Repair 400

Fuel 2500

Insurance Exp 400

Total exp 5000

Net Income 2500

O/E Statement

Beg O/E 45000

+ Net Income 2500

\_ Drawings 1500

Ending Owners Equity 46000

B/S

Asset

Cash 5600

A/R 7200

Equipment 64000

Total Asset 76800

Liabilities and O/E

N/P 30000

A/P 800

O/E 46000

Total liability & O/E 76800

1. I/S

Lesson Revenue 7500+900=8400

\_ Exp

Advertising Exp 500

Rent “ 1200

Repair 400

Fuel 2500+1500

Insurance Exp 400

Total exp 6500

Net Income 1900

O/E Statement

Beg O/E 45000

+ Net Income 1900

\_ Drawings 1500

Ending Owners Equity 46400

B/S

Asset

Cash 5600

A/R 7200+900

Equipment 64000

Total Asset 77700

Liabilities and O/E

N/P 30000

A/P 800+1500

O/E 46400

Total liability & O/E 77700

Prob No 4: Transaction Analysis

A = L+O/E

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| CASH | A/R | Supplies | Delivery Van | A/P | N/P | Owners Equity | Explanation |  |
| +10000 |  |  |  |  |  | +10000 | Beginning Capital | 1 |
| -2000 |  |  | +12000 |  | +10000 |  |  | 2 |
| -500 |  |  |  |  |  | -500 | Rent Exp | 3 |
|  | +4400 |  |  |  |  | +4400 | Service rev | 5 |
| -200 |  |  |  |  |  | -200 | Drawing | 9 |
|  |  | +150 |  | +150 |  |  |  | 12 |
| +1250 | -1250 |  |  |  |  |  |  | 15 |
|  |  |  |  | +100 |  | -100 | Gasoline exp | 17 |
| +1500 |  |  |  |  |  | +1500 | Service Rev | 20 |
| -500 |  |  |  |  | -500 |  |  | 23 |
| -250 |  |  |  |  |  | -250 | Utility exp | 26 |
| -100 |  |  |  | -100 |  |  |  | 29 |
| -1000 |  |  |  |  |  | -1000 | Salary exp | 30 |

23500 = 23500

1. Income Statement

Service Revenue 4400

Service Revenue 1500

TR 5900

\_ Exp

Rent “ 500

Gasoline 100

Utility 250

Salary 1000

Total exp 1850

Net Income 4050

O/E Statement

Beg O/E 10000

+ Net Income 4050

\_ Drawings 200

Ending Owners Equity 13850

O/E

BEGINNING CAPITAL

+ADDITIONAL CAPITAL

+NET PROFIT

\_ NET LOSS

\_ DRAWINGS

B/S

Asset

Cash 8200

A/R 3150

SUPPLIES 150

Delivery Van 12000

Total Asset 23500

Liabilities and O/E

N/P 9500

A/P 150

O/E 13850

Total liability & O/E 23500

**Prob 5**

**A=L+O/E**

**Ending O/E= Beg O/E+ Add. Capital+ Revenue-Expense-Drawing**

**=60000= 45000+Add.cap+350000-320000-25000**

**60000-45000-350000+320000+25000 =Add Cap**

**10000=A.Capital**

**Karma Company**

**Jan 1 ,2010 (BEG)**

**A=L+O/E**

**95000=50000+O/E**

**45000=O/E**

**Dec 31,2010 (ending)**

**A=55000+60000**

**A=115000**

**O/E statement**

|  |  |  |
| --- | --- | --- |
| **Particulars** | **Tk** | **Tk** |
| **Beg Cap**  **+Add Cap**  **+Net profit**  **-Drawings**  **Ending O/E** | **45000**  **10000**  **30000**  **-25000** | **60000** |

Prob 5:

A= L+OE

Ending owners Equity= Beginning owners Equity+ Additional capital + Revenue\_ Expense\_ Drawings

60000=45000+AC+ 350000\_ 320000-25000

60000-45000 -350000+320000+25000= Additional Capital

10000= Additional Capital

Karma Company:

January 1,2010 ( Beginning )

A=L+OE

=95000= 50000+OE

=95000-50000=OE

45000=OE

Dec 31,2010 (Ending)

A= L+OE

A= 55000+60000

A=115000 Tk

Owners Equity Statement

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Beginning Owners Equity  + Additional Capital  +Net profit  (350000\_320000)  \_ Drawings  Ending Owners Equity | 45000  10000  30000  25000 | 60000 |