

**Assignment Solution of
“Financial Accounting (MGT101)”
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Question No. 01:

Recall the accounting equation and answer the following:

1. Total Assets of a business are Rs. 100,000/- and Total Liabilities are Rs. 40,000/-.
What will be the amount of Owners' Equity? (1 mark)

Answer:

Owner's Equity= Total Assests – Total Liabilities

Owner's Equity= Rs. 100,000 – Rs. 40,000

Owner's Equity= Rs. 60000

2. Total Assets of a business are Rs. 500,000/- and Owners' Equity is Rs. 300,000/-.
What will be the amount of Total Liabilities? (1 mark)

Answer:

Total Liabilities= Total Assets – Owner Equity

Total Liabilities= Rs.500,000 – Rs. 300,000

Total Liabilities=Rs. 200,000

3. Total Liabilities of a business are Rs. 400,000/- and Owners' Equity is Rs. 500,000/-
.What will be the amount of Total Assets? (1 mark)

Answer:

Total Assets= Total Liabilities + Owner Equity

Total Assets=Rs. 400,000 + Rs. 500,000

Total Assets=Rs.900, 000

Question No. 02:

Waqas Rentals started a business on January 01 2011; the selected transactions related to the organization were as follows:

Answer

Waqas Rentals
General journal
As on XX/xx/xxxx

Date	Detail	L.F	Dr. (Rs.)	Cr. (Rs.)
Jan 1 . 2011	Cash Account Bank Account To Capital Account (Waqas Started Business With Capital)		600,000 600,000	1,200,000
Feb 1. 2011	Car Account To Cash Account (Purchase Two Cars on Cash)		100,000	100,000
Feb 1. 2011	Office Furniture Account To Bank Account (Purchase Furniture through Cheque)		70000	70000
June 5 2011	Cash Account To Account Receivable (Cash received from Account Receivable)		4000	4000
July 11 2011	Account Payable Account To Bank Account (Paid Account payable through cheque)		3200	3200
Agust 1 2011	Cash Account To Note Payable (Borrow money by signing Note payable)		10000	10000

Cash Account

Date	Particulars	L/F	Amount in Rs, Dr.	Date	Particular	L/F	Amount in Rs. Cr.
Jan 1 2011	Capital Account		600,000	Feb 1. 2011	Car Account		100,000
June 5 2011	Account receivable		4000				
Agust 1 2011	Note payable account		10000		By Balance C/D		514000
			614000				614000

Bank Account

Date	Particulars	L/F	Amount in Rs, Dr.	Date	Particular	L/F	Amount in Rs. Cr.
Jan 1 . 2011	Capital Account		600,000	Feb 1. 2011	Office Furniture		70000
				July 11 2011	Account payable		3200
					By Balance C/D		526800
			600,000				600,000

IT's NOT UP TO ME ANY MORE,
 IF YOU *WANT* ME IN YOUR
 LIFE, YOU 'LL FIND A WAY,
 TO *PUT* ME THERE.....

FAHAD YUSHA (Araien)

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