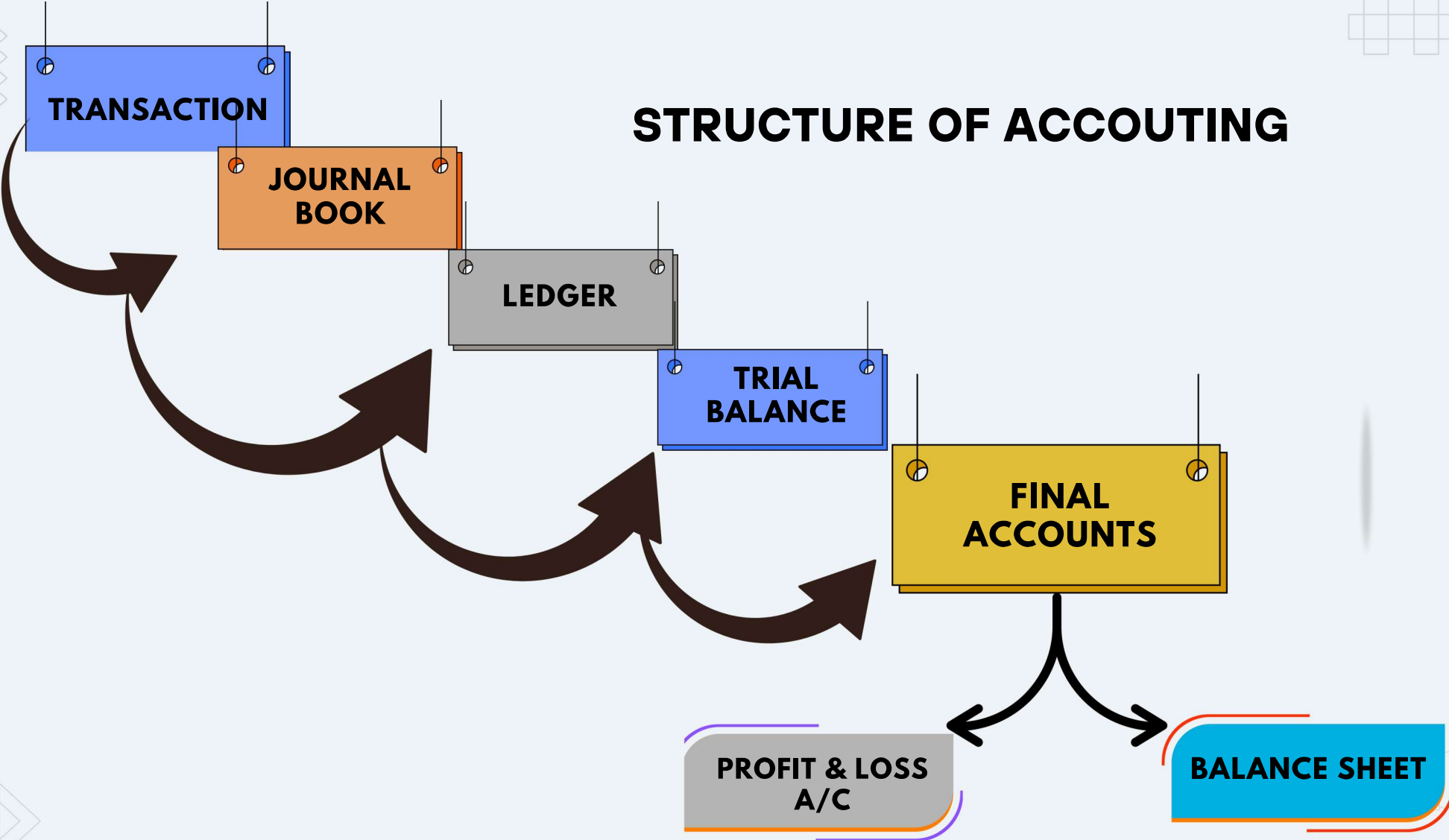


STRUCTURE OF ACCOUTING



NATURE OF TRANSACTION



INCOME



Income is money that an individual or business receives, usually in exchange for providing a good or service or through investing capital. Example:- **Sales , Commission, received,**

EXPENSES



An expense is the cost of operations that a company incurs to generate revenue. As the popular saying goes, "it costs money to make money. Example:- **Rent paid, Salary paid**

ASSETS



An asset is a resource with economic value that a business owns with the expectation that it will provide a future benefit Example:- **Cash, Furniture, Building**

LIABILITIES



A liability is something a business owes, usually a sum of money. Example:- **Bank loan, Creditors, Outstanding expenses,**



NATURE OF TRANSACTIONS & THEIR INCREASE/DECREASE EFFECT

ASSETS

- Increase → Debit
- Decrease → Credit

LIABILITIES

- Increase → Credit
- Decrease → Debit

EXPENSES

- Increase → Debit
- Decrease → Credit

INCOME

- Increase → Credit
- Decrease → Debit

1. Aman invested ₹90,000 as capital.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
01/01	Cash A/c Dr.		90,000	
	To Aman's Capital A/c			90,000
	(Being capital introduced by Aman)			

2. Purchased goods for cash ₹30,000 from Rohit Traders.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
02/01	Purchases A/c Dr.		30,000	
	To Cash A/c			30,000
	(Being goods purchased from Rohit Traders for cash)			

3. Purchased furniture on credit from Mehta Furnitures for ₹18,000.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
03/01	Furniture A/c Dr.		18,000	
	To Mehta Furnitures A/c			18,000
	(Being furniture purchased on credit)			

4. Sold goods for cash ₹20,500 to Priya.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
04/01	Cash A/c Dr.		20,500	
	To Sales A/c			20,500
	(Being cash sales made to Priya)			

5. Paid salary ₹9,000 to Mohit.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
05/01	Salary A/c Dr.		9,000	
	To Cash A/c			9,000
	(Being salary paid to Mohit)			

6. Received commission ₹3,200 from Kavita.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
06/01	Cash A/c Dr.		3,200	
	To Commission Received A/c			3,200
	(Being commission received from Kavita)			

7. Paid ₹12,000 to Mehta Furnitures (creditor).

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
07/01	Mehta Furnitures A/c Dr.		12,000	
	To Cash A/c			12,000
	(Being part-payment made to creditor)			

8. Owner Aman withdrew cash ₹6,500 for personal use.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
08/01	Drawings A/c Dr.		6,500	
	To Cash A/c			6,500
	(Being cash withdrawn by Aman for personal use)			

9. Depreciation charged on furniture ₹1,500.

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
09/01	Depreciation A/c Dr.		1,500	
	To Furniture A/c			1,500
	(Being depreciation charged on furniture)			

10. Took a bank loan of ₹50,000 from SBI Bank.x`

Date	Particulars	L.F.	Debit (₹)	Credit (₹)
10/01	Bank A/c Dr.		50,000	
	To SBI Loan A/c			50,000
	(Being loan taken from SBI Bank)			