

Assignment-1

- 1.) Explain the Line in Balance Sheet
- 1.) Balance Sheets

Assets

Personal Assets can include a Home, Land, Financial Securities, Jewelry, Artwork, Gold and Silver or your checking account.

Non-Current Assets

Non-Current Assets are Assets and Property owned by a business that are not easily converted to cash within a year.

Property, Plant and Equipment

Property, Plant and Equipment [PP&E] are the actual, Tangible, Long-term Assets of a Corporation that normally have a Lifespan of more than a year.

Capital Work-in-Progress

Capital Work-in-Progress [Cwip] is the Expenditure on fixed assets that are in the process of construction or completion i.e. not ready for intended use at the time of incurring of expenditure.

Right-of-Use Assets

The Right-of-Use Asset

Pertains to the Lessee's Right to Occupy, Operate or withhold a Leased Asset during the rental Period.

Goodwill

Goodwill is an Intangible Asset [an asset that's non-physical but offers Long-term value] which arises when another company acquires a new business.

Other Intangible Assets

Intangible Assets are those that are Non-Physical but identifiable. e.g:- The Company's Proprietary Technology for Computer Software, Copyrights, Patents, Licensing Agreements and Websites domain names, etc.

Intangible Assets Under Development

In the Development Phase of a project, an enterprise can, in some instances, identify an Intangible asset and demonstrate that future economic benefits from the asset are probable.

Investments In Associate.

An Associate is an entity over which an investor has significant influence. Being the power to participate in the financial and operating policy decisions of the Investee [But not control or joint control].

Financial Assets

A Financial Assets is an Easily Tradable Assets whose value comes from a promise of future Payments.

Other Investments

Functional Category - is a Residual Category in the Financial Account and Category in the Statement of Financial Position.

Loans

A Loan is a sum of money that one or more individuals or companies borrow from banks or other financial institutions so as to financially manage planned or unplanned events.

Others

A Liquid Asset that gets its value from a contractual right or ownership claim.

Current Assets.

A Current Assets as a ^{Liquid} Asset, is any Resource a Company could use, turn into cash, or sell within a year.

Inventories

Inventory refers to all the items, goods, merchandise and materials held by a business for selling in the market to earn a profit.

Financial Assets

Assets whose value is recorded in the current assets account are considered current assets.

Investments

A company's short-term asset, those that can be liquidated quickly and used for a company's immediate needs.

Trade Receivables

Trade Receivables is the amount that customers owe to a business when buying a product or service on credit.

Cash and Cash Equivalents

Cash and Cash Equivalents refers to the line item on the balance sheet that reports the value of a company's assets that are cash or can be converted into cash immediately.

Bank Balance Other than (iii) Above

Bank Balance the amount of money in your bank account at a given time.

Other Current Assets

Other Current Assets [OCA] is a category of things of value that a company owns, benefits from, or uses to generate income that can be converted into cash within one business cycle.

Equity and Liabilities

Equity

Equity is the amount of capital invested or owned by the owner of a company.

Equity Share Capital

Equity Share Capital is the portion of a company's capital that is raised by issuing shares to shareholders in exchange for ownership of the company.

Other Equity

Other Equity represents the portion of a company's shareholders' equity that is distinct from share capital and retained earnings.

Liabilities

Liabilities are debts or obligations a person or company owes to someone else.

Non-Current Liabilities

Non-Current Liabilities are the debts a business owes, but isn't due to pay for at least 12 months. They are also called Long-Term Liabilities.

Financial Liabilities

A Financial Liability is any money owed to another party. Liabilities can be short-term, such as credit card debt or long-term, such as mortgages.

Borrowings

The Borrowings refers to any debts or other financial obligations that can be paid after a year. It is Long-Term Loans.

Lease Liabilities

A Lease Liabilities refers to the financial obligations of a company that are not Expected to be settled within one year.

Other Financial Liabilities

Other Financial Liability

A Non-Current Liability refers to the financial obligations in a company's balance sheet that are not Expected to be paid within one year.

Provision

When a business sets aside some money to cover future costs or liabilities, this is called a Provision.

Deferred Tax Liabilities (DTL)

Deferred Tax Liabilities

is created when a tax obligation is accumulated in one financial year but is due in the subsequent years.

Other Non-Current Liabilities

Other Non-Current Liabilities refers to any debts or other financial obligations that can be paid after a year.

Current Liabilities

Current Liabilities are a company's short-term financial obligations that are due within one year or within a normal operating cycle.

Financial Liabilities

Borrowings

It is the an enterprise's obligations or debts that are due within a year or within the normal functioning cycle.

Trade Payables

Trade Payables are financial obligations of a business entity that are due and payable within a year.

Other Current Liabilities

Other Current Liabilities, in financial accounting, are categories of short-term debt that are lumped together on the liabilities side of the balance sheet.

Current Tax Liabilities (Net)

Current Tax Liabilities

Current Tax Liabilities are such short-term tax obligation that an individual must pay within a year.