

# Assignment 1

## Balance Sheet

### 1. Assets

Individuals usually think of Assets as items of that they could convert into cash at some future point and that might also be producing income or appreciating in value in the meantime. Those can be Financial assets like Stocks, bonds, and mutual funds, or physical assets like a home or an art collection.

### non-current Asset

non-current assets are a company's long term i and cannot be converted to cash easily within a year. They are required for long term needs of a business and include things like land and heavy equipments.

### Property Plant and equipment

Property, Plant and equipment (PPE) are tangible, long-term assets that a company owns and uses in its operation.

### Capital work-in-progress

CWIP, an abbreviation for capital work in progress, represents the costs incurred on a fixed asset that is still under construction at the balance sheet date and is not yet readily available for use.

## Financial Assets

A Financial asset is a non-physical asset that derives its value from a contractual claim or promise of future payment. Financial assets are usually more liquid than physical assets such as real estate or commodities and can be quickly converted into cash. Their value is constantly changing based on market 'activity' and the level of risk they carry.

## Loan.

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.

## Deferred tax assets (net)

A deferred tax asset is an item on the balance sheet that results from an over payment or advance payment of taxes. It is usually found when there are differences between tax rules and accounting rules.

## Current assets:-

A current asset also known as a liquid asset is any resource a company could use, turn into cash or sell within a year. It includes cash in the bank account, receivables.

## Inventories

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

## Trade receivable:

Trade receivable represents the total amount that a company has invoiced to customers for goods and services that it has delivered but for which it has not yet received payment.

## Cash and cash equivalents.

The line item of the balance sheet that reports the value of a company's assets that are cash or can be converted into cash immediately. Cash equivalents include bank accounts and some type of marketable securities such as commercial paper and short-term government bonds.

## Bank Balances (other than (ii) above)

A bank account balance is considered a current asset on a balance sheet because it is immediately available. Other current assets include:

marketable securities, prepaid liabilities, petty cash, prepaid expenses, and stock inventory.

## Loan.

A loan may or may not be a current asset depending on a few conditions. A current asset is any asset that will provide an economic value for a within one year. A loan which is provided to subsidiary companies is also a current asset.

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.

Total assets

Total liabilities

Total assets are the sum of all current and non-current assets that a company owns

### Equity and liabilities

Equity is the value of a business after subtracting its liabilities from its assets. Liabilities are what a company owes to others such as loans, accounts payable, and accrued expenses.

### 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 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 equity that is distinct from share capital and retained earnings.

### Total Equity

Total equity is the value left in the company after subtracting total liabilities from total assets.

### Liabilities

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

## non-current liabilities

A non-current liability refers to an financial obligation refers to that are not expected to be settled within one year. like long term loans, provision payable deferred tax liability

## Financial Liabilities

A Financial Liability is a debt or obligation at that one party owes to another, and is payable at some point in the future

### i) lease liabilities

lease payment yet to be paid to lessor

### ii) other Financial liabilities

Debt Payable and interest Payable

## Provisions

which refers to entries made in the books for expected liabilities. these are likely to occur although the exact terms may not be known just yet

## Other non-current liabilities

## current liabilities

current liabilities are a company's short-term financial obligation that are due within one year or within a normal operating cycle



## Financial Liabilities

Financial liabilities is any money owed to another party such as credit owed debt or long term such as mortgages.

### Lease liabilities

A lease liabilities is a financial obligation to make lease payment, discount to their present value.

### Trade Payable

The amount of money a company owes to its suppliers or vendors for goods and or services purchased on credit.

### Due to micro and small enterprises

The amount of money a company owes to small scale supplier or vendors for goods services purchased on credit.

### Other Financial Liabilities

Short term loans interest payable, dividends payable, Accrued expenses, notes payable.

### Other current liabilities

wages payable taxes payable Refundable deposit (utility deposits) current portion long term debt

### Provisions

Provisions in current liabilities represent amounts set aside to cover estimated future expenses or losses that are likely to occur but are not yet certain or have not yet been incurred.



## Current tax liabilities (real)

The amount of taxes a company owes to the government for the current period.

## Total Liabilities

Total Liabilities represent the total amount debts, obligations and financial commitments that a company is responsible for paying including both short-term (current) and long-term liabilities.

## Total equity and liabilities.

The total amount of a company's capital structure comprising both ownership interest (equity) and debt obligation (liabilities).