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|  | **Assignment No. 1 Semester: Fall 2020**  **FINANCIAL ACCOUNTING (MGT101)** | | **Total Marks: 10**  **Due Date: 26-Jan-2021** |
| Name: Tamkeen Sajjad  Roll No. mc200400003  MIT. | | | |
| **Assignment** | |  | |

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| **Solution:**  **Q1. Net purchases to be presented in Income Statement.**  Net purchase = Gross Profit - Purchase Return –Allowances – Discounts  = 50000-10000-0-0  = 40000 Rs.  **Q2. Gross profit to be presented in Income Statement.**  Gross Profit = Sales Revenue - Cost of goods sold  = (Net sales - Return Inwards) - Cost of goods sold  = (85000 - 5000) - 35000  = 80000 - 35000  = 45000 Rs.  **Q3. Net Book Value of machinery to be presented in Balance Sheet.**  Net book value = Original Purchase Cost - Accumulated Depreciation  = 100000 - (100000 x 15%)  = 100000 – 15000  = 85000 Rs.  **Q4. Value of debtors to be presented in Balance Sheet.**  Using the given data into table:   |  |  | | --- | --- | | Opening stock 13000 🡻 | Cash 12800 | | ***Credit sales 16800*** | Return inwards 5000 | | **🡹** | Closing stock 12000 | | Total:29800 🡸 | Total:29800 |   Debtors = Credit Sales  = Total Sales – Opening Stock  = 29800 – 13000  = 16800 Rs.  **Q5. Owner’s equity to be presented in Balance Sheet.**  Net Profit = Gross Profit - Expenses - Depreciation  = Gross Profit - Financial expenses - Administrative expenses – Depreciation  = 45000 - 8000 – 5453 – 15000  = 16547  Now,  Owners' Equity = Capital s+ Net Profit - drawings  = 300000 + 16547 - 0  = 316547 Rs |