Assignment -1

(only handwriting copy will be accepted)

Define and brief about the following elements appears in the Balance Sheet and Profit & Loss account (Income statement).

**Balance Sheet Elements**

|  |  |
| --- | --- |
| **Liabilities & Capital** | **Assets** |
| Equity Share Capital | Plant and Machinery |
| Preference Share Capital | Land & Buildings |
| Debentures/Bonds | Furniture & Fixtures |
| Other long-term Borrowings | Cash |
| Trade Creditors | Marketable Securities |
| Other Payables (wages, salary & Expenses) | Debtors (or Accounts Receivables) |
| Bank Overdraft | Stock |

**Profit or Loss Account/ Income Statement**

|  |  |
| --- | --- |
| Sales or Revenue | xxx |
| Cost of Goods Sold | xxx |
| Gross Profit | xxx |
| Operating Expenses | xxx |
| Earnings Before Interest and Taxes (EBIT) | xx |
| Interest | xx |
| Earnings Before Tax (EBT) | xx |
| Tax | xx |
| Earnings After Tax (EAT) | xx |
| Preference Dividend | xx |
| Earnings Available for Equity Shareholders | xx |
| Earnings Per Share (EPS) | xx |
| Dividend Per Share (DPS) | xx |

also mention the relationship between financial transaction appears in the above statements.