

SEMESTER SPRING 2014

FINANCIAL ACCOUNTING (MGT101)

ASSIGNMENT # 01

DUE DATE: 22nd May 2014

MARKS: 10

TOPIC TO BE TESTED:

- Important concepts/terminologies involved in the preparation of financial statements

LEARNING OBJECTIVES:

- To understand the basic concepts/terminologies required in the preparation of “Income Statement” and “Balance Sheet”.

QUESTION

Following information is available of a business concern for the year of 2013:

Items	Rs.
Return inwards	50,000
Return outwards	40,000
Net sales	2,500,000
Gross profit	1,500,000
Advertising expenses	200,000
Rent expenses	300,000
Distribution expenses	100,000
Salaries of official staff	250,000
Financial expenses	30,000
Cash at bank	90,000
Sundry debtors	60,000
Stock	110,000
Plant and machinery	350,000
Sundry creditors	35,000
Salaries payable	45,000
Building	600,000

Required:

Based on the above information, you are required to calculate the following for the period ended on 31st December 2013:

1. Gross sales
2. Selling expenses
3. Administration expenses
4. Current liabilities
5. Fixed assets
6. Operating profit

IMPORTANT:

Grace period of extra 24 hours after the due date is usually available to overcome uploading difficulties. This extra time should only be used to meet the emergencies and above mentioned due dates should always be treated as final to avoid any inconvenience.

IMPORTANT INSTRUCTIONS

- Take help from internet for collecting the information.
- Carefully watch relevant lectures and consult the relevant material from handouts along with recommended books.
- Attempt the assignment by yourself and it will be entertained positively.

OTHER IMPORTANT INSTRUCTIONS:**DEADLINE:**

- Make sure to upload the solution file before the due date on VULMS.
- Any submission made via email after the due date will not be accepted.

FORMATTING GUIDELINES:

- Use the font style “Times New Roman” or “Arial” and font size “12”.
- It is advised to compose your document in MS-Word format.
- You may also compose your assignment in Open Office format.
- Use black and blue font colors only.

RULES FOR MARKING

Please note that your assignment will not be graded or graded as Zero (0), if:

- It is submitted after the due date.
- The file you uploaded does not open or is corrupt.
- It is in any format other than MS-Word or Open Office; e.g. Excel, PowerPoint, PDF etc.
- It is cheated or copied from other students, internet, books, journals etc.

Note related to load shedding: Please be proactive

Dear students!

As you know that Pre Mid-Term semester activities have been started and load shedding problem is also prevailing in our country now a days. Keeping in view the fact, you all are advised to post your activities as early as possible without waiting for the due date. For your convenience; activity schedule has already been uploaded on VULMS for the current semester, therefore no excuse will be entertained after due date of assignments, quizzes or GDBs.