

Q14. From the Balance Sheet given below, calculate:

- I. Fixed Assets**
- II. Current Assets**
- III. Current Liabilities**
- IV. Working Capital**

Balance Sheet as at 31st March, 2024

Liabilities		Assets	
Trade Creditors	42,000	Stock in Hand	48,000
Expenses Accrued	3,200	Debtors	36,000
Bank Overdraft	4,800	Prepaid Expenses	400
Long-Term Loan	20,000	Goodwill	20,000
Interest on Loan	1,000	Land	20,000
Capital	93,400	Plant	32,000
		Furniture	8,000
	1,64,400		1,64,400

Solution –

- I. Fixed Assets = Goodwill + Land + Plant + Furniture**
= 20,000 + 20,000 + 32,000 + 8,000
= 80,000
- II. Current Assets = Stock in Hand + Debtors + Prepaid Expenses**
= 48,000 + 36,000 + 400
= 84,400
- III. Current Liabilities = Trade Creditors + Expenses Accrued + Bank Overdraft + Interest on loan**
= 42,000 + 3,200 + 4,800 + 1,000
= 51,000
- IV. Working Capital = Current Assets – Current Liabilities**
= 84,400 – 51,000

= 33,400

Studydrive