



1. (c)
2. (b)
3. (c)
4. (a)
5. (d)
6. (d)
7. (d)
8. (d)
9. (d)
10. (b)
11. (a)
12. (a)
13. (c)

14.

Item	Major Head	Sub-head
(i) Marketable Securities	Current Assets	Cash & Cash Equivalents.
(ii) Stores & Spares	Current Assets	Inventories.
(iii) Interest Accrued and Due on Debentures	Current Liabilities	Other Current Liabilities.
(iv) Debentures payable within the period of 12 months or Operating Cycle Period from the Date of Balance Sheet.	Current Liabilities	Short-term Borrowings
(v) Bank Overdraft	Current Liabilities	Short-term Borrowings.
(vi) Debentures Redemption Reserve.	Shareholders' Funds	Reserves & Surplus.

**15. Objectives of Financial Statements**

1. To provide information about the financial performance of an enterprise.
  2. To provide information about the financial position of an enterprise.
- 16.** 1. Income statement, *i.e.*, Statement of Profit & Loss.  
2. Balance Sheet.
- 17.** A Balance Sheet is a Statement of Assets (Current and Non-current), Liabilities (Current and Non-current) and Equity (*i.e.*, Shareholders' Funds) indicating the financial position of an enterprise at a given date.
- 18.** Financial statements prepared on historical basis ignore the changes in price level since the financial statements are prepared on historical cost basis and not on current cost basis.
19. (d)
  20. (a)