

CLASS XI
THEORY BASE OF ACCOUNTING
ENRICHMENT WORKSHEET - 2

- 1) What is material fact?
- 2) XYZ printers purchased a printing machine for 27 lakhs on 1.4.2014. The market price of the machine on 31.3.2015 was 32 lakhs. The company values the machine at 32 lakhs while preparing its balance sheet. Which of the accounting principles does the firm violate?
- 3) Who issues accounting standards in India?
- 4) What is meant by International Financial Reporting Standards?
- 5) Which concept requires that caliber or quality of management cannot be directly disclosed in the balance sheet?
- 6) When should revenue be recognized? Are there any exceptions to the general rule?
- 7) Describe the status of IFRS in India.

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