

National Institute of Open Schooling
Secondary Course - Accountancy
Lesson 3: Accounting Terms
Worksheet - 3

1. What do you understand by Capital?
2. Explain Wasting Assets giving some examples.
3. From the following information identify revenue, expense and expenditure.
 - i. Interest received
 - ii. Rent paid
 - iii. Cost of material
 - iv. Plant and machinery purchased
 - v. Advertising and selling
4. How internal liabilities differ from external liabilities? Explain with the help of examples of each.
5. Deepak started a business with cash Rs. 3,00,000 on 1.4.2019. He opened a bank account by depositing Rs. 60,000 on the same date. On 2.4.2019 he obtained a loan of Rs 1,00,000 from UBI. On 3.4.2019 he purchased goods of Rs 80,000 from Vinay on credit. On the same date he gave bills payable to Vinay which will become due after two months. On 12.4.2019 he purchased machinery from M/s Leela Stores on credit for Rs 50,000. On 13.4.2019 he sold goods for cash Rs 12,000 and on credit to Mohan Rs 9,000. On the basis of your understanding about basic accounting terms, identify the accounting terms involved in the above transactions of Deepak.
6. Explain stock.
7. Discuss the term debtor and creditor. If Akshit sells goods to Dikshit on credit, now on the basis of your knowledge recognize the debtor according to Akshit.
8. Give any two examples of creditors for loans.
9. Explain assets and also discuss the classification of assets.
10. Write a short note on revenue.