

National Institute of Open Schooling
Senior Secondary Course – Accountancy
Lesson 2: Accounting Concepts
Worksheet -2

1. Explain the ‘Matching Principle’ of Accounting. How is it significant to Accounting?
2. Write the two aspects (effects) of the following transactions:

Sr.No.	Transaction	I st Aspect	II nd Aspect
i.	Goods bought for Cash		
ii.	Paid to Simran		
iii.	Rent received		
iv.	Advertising expense paid		
v.	Received cash from Sharma		

3. Explain the meaning and significance of accounting cost concept.
4. Every transaction has a dual effect. In reference to this statement explain the dual concept of accounting.
5. What are accounting concepts. Why are these important to accounting?
6. State the accounting principle involved in the following statements:
 - i. Advance received from customer is not recorded as sales.
 - ii. Salary for the last month of year i.e. for March, 2019 has not been paid. Under which accounting concept it should be recorded as an expense for the year ended 31st March, 2019.
 - iii. Accounting policies should not be changed from one period to another.
 - iv. Under which accounting concept, it is assumed that business will not be liquidated in the near future.
7. What do you understand by Money Measurement concept?
8. Briefly explain the concept of Business Entity. Give examples.
9. Write a short note on Realisation concept.
10. Discuss the significance of Accounting Period concept.