

National Institute of Open Schooling
Senior Secondary Course – Accountancy
Lesson 1: Accounting-An Introduction
Worksheet -1

1. Accounting is the process of identifying, measuring, recording and communicating the required information relating to the economic events of an organisation to the interested users of such information. State the relevant aspects of accounting in reference to the given statement.
2. What do you understand by Social Accounting?
3. Give the main point of distinction between Accounting and Book-keeping.
4. How do trade discounts differ from cash discounts?
5. In what way is accounting information useful for: (i) Management (ii) Banks and Financial Institutions (iii) Creditors (iv) Government and its authorities.
6. Write short note on limitations of Accounting.
7. Following are the statements relating to various branches of accounting. Write against each the name of the branch of accounting to which the same belongs:
 - i. It analyses the expenditure so as to ascertain the cost of products manufactured by the concern.
 - ii. Accounting that generates information relating to funds, cost and profits etc.
 - iii. Accounting that is concerned with recording the transactions of financial character, summarising and interpreting them and communicating the results to the users.
 - iv. Accounting that provides information relating to tax laws.
8. What do you understand by Assets? Also, explain the difference between Current assets and Non-current assets with the help of suitable examples.
9. How does the accountant play an important role in the society?
10. Explain the qualitative characteristics of accounting information.