

Name:

Activity 3

Complete the following activity to fill in the missing words.

- 1 Trading stock is always entered in the books at
- 2 Land and buildings will be shown in the books of a business at the purchased price. Which accounting principle is this based on?
- 3 Income and expenses have an influence on the of the business.
- 4 Persons to whom the business owe money are known as
- 5 An asset purchased by the business with the aim of changing it into cash within one year, is a asset.
- 6 If bank is overdrawn, it is

- 7 Which accounting principle does the following statement apply to? "The bookkeeping of the business and that of the owner should be kept strictly separate"
- 8 The aim of any business is to make
- 9 A buys finished products (products that are manufactured and ready to be sold), adds a profit and sells it to make a profit.
- 10 Non-current assets consist of and