**ASSIGNMENT 1**

1. Explain the difference between book-keeping and accounting.
2. Why do we need to record business transactions?
3. Explain how and why the objectives of business may change over time

**ASSIGNMENT 2**

1. Why is it important to keep full accounting records?
2. How do you think assets used by a business are valued?
3. How do you calculate the value of liabilities for a business if this information is not available?

**ASSIGNMENT 3**

1. Why is it important to have an account for each type of income and expenses?

2. A business sells goods on credit that are later returned by the customer because they are unsuitable. Which of the following is the correct double entry to record the goods being accepted back to the business?

Debit Credit

1. Sales Trade receivables
2. Sales returns Trade payables
3. Sales returns Trade receivables
4. Sales Trade payables

3.For each transaction state which account should be debited and which should be credited:

1. Computer bought with payment made from the bank account
2. Delivery van bought on credit from Sara
3. Owner pays own money into business bank account
4. Fixtures and fittings sold on credit to Li
5. Payment received from Li into bank
6. Equipment sold for cash

**ASSIGNMENT 4**

1. How do the entries in the double entry account for bank differ from the entries that are on the bank statement?

2. What is a business document and its type? Explain.

3. Why do you think the sales returns and purchases returns are not simply entered into the opposite side of the respective sales and purchases accounts?