

Questions:

- i) What is a business transaction?
- ii) Distinguish between non-current assets and current assets
- iii) What are current liabilities? Give any two examples.
- iv) Differentiate between Capital Expenditure and Revenue Expenditure.
- v) Give two points of distinction between tangible and intangible assets.
- vi) Mr.X who owed us 50,000 became insolvent and paid only 40% of this amount. What is the term used for the amount not received.
- vii) Which of the following will be treated as drawings:
 - a. Withdrawing money for payment of salary to employees
 - b. Withdrawing money for payment to creditors
 - c. Withdrawing money from business for private expenses
 - d. Withdrawing money for purchase of an asset
- viii) Huge loss occurred due to strike by employees. Will it be recorded.
- ix) What do you mean by Contingent Liabilities? Where are they recorded.
- x) Explain the term Inventory.