**Principles of Accounting**

**Assignment**

1. Accounting conventions and concepts are foundation of accounting principles. Describe various conventions and concepts while explaining this statement.
2. What do you understand by the price level changes? What are its types?
3. Distinguish between historical cost accounting and accounting for price level charges. What are the deficiencies which arise in financial statements of a business prepared at the end of the year under Historical cost accounting method during periods of inflation.