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Question 23 a) Because each period assets in this case (NCA) has value but in times the value loses its original value and therefore need to be depreciated. It is a breach in accounting & financial industry to not depreciate asset value as it creates false and more attractive financial image to stakeholder, consumers etc.

23(b) - Response not reproduced

c) Purpose of subsidiary ledgers and financial reports is that amount of money in business is calculated. This is too make sure that money isn't stolen or taken away for misuse from employees etc. Profit and loss of how much money is used for ops of business and how much money business has collected revenue or make a loss.

It is also a good estimation for ABC Bakery to manage their accounts as they can estimate amount of money used for inventory or any debts or loans they need to repay. They can use this as a guide for budgeting for their business.

It is also a legal purpose to record and manage their accounts. This is because ATO (Australian Tax office) and other regulators such as Australian Securities & Investment Commission, Australian Consumer Competition and consumer commission ~~promote~~ promote fair ness and protect business and consumer to not do criminal activity such as money laundering.

This record management is extremely important as it will reduce any mishaps or inconveniences with ~~the~~ customers in future or even suppliers. Good Track record to know this too.

Additional writing space on back page.