**YEAR 10 ACCOUNTING REVISION NOTES**

**GOING INTO BUSINESS** – Know the difference between a business, entrepreneur and a not-for-profit organisation

* Business - an organisation or enterprising entity engaged in commercial, industrial or professional activities​
* Entrepreneur - a person who starts up new businesses, taking on the risks in the hope of making a profit
* Not-for-profit organisation - an organisation where any profits made are put back into the organisation

**BUSINESS STRUCTURE** – Know the different types (advantages/disadvantages) and be able to identify structure from a name

* Sole Trader
  + Owned by single individual
  + Simple and easy to start and maintain
  + Receives all the profits
  + Bears all the liability (unlimited liability)
* Partnership
  + Owned by partners
  + Partners share all the profits and losses
  + Unlimited liability
* Companies (Public and Private)
  + Owned by shareholders
  + Run by directors
  + Can be difficult to set up and run
  + Limited liability
  + Must be registered and incorporated

**SETTING UP A SMALL BUSINESS –** Know what a small business is and associated concepts (names, slogans, logos, mission statements, patents, trademarks)

* Business names need to be registered on the National Names Index - list of registered business names maintained by the Australian Securities and Investment Commission (ASIC)
* Patents - businesses prevent the theft of intellectual property by creating an exclusive right for their ideas
* Trademarks - distinctive design, logo, symbols, words that uniquely identifies a business and/or its goods or services

**MARKETING AND SALES** – What is it, different types of advertising, endorsements (celebrity support), target market

**TAXATION, INSURANCE AND REGULATIONS –** Know the different tax registrations (GST, TFN, PAYG), know the different types of insurance (public liability, workers compensation etc)

**SOURCES OF FINANCE –** Know the differenttypes (internal v external) and which is appropriate for each business structure

* Working capital - money needed by a business to pay for the everyday business costs
* Growth capital - money needed for a business to expand
* Venture capital - money that is given to help setup a business

**ACCOUNTING EQUATION** – Know the difference between assets (current v non-current), liabilities (current v non-current) and equity. Be able to classify items and calculate equity.

**FINANCIAL STATEMENTS** – Be able to create a balance sheet and income statement.