**Year 10 Accounting**

**First Semester Exam – Revision Sheet 2**

1. **What are the characteristics of an Entrepreneur?**
2. **Why do people start small businesses?**
3. **What are the characteristics of a successful business?**
4. **What are the different types of business structure?**
5. **How do the different types of business structure differ?**
6. **Of the business structures, which is the least risky and why?**
7. **Which is the most risky and why?**
8. **What should you do when you start up a new business?**
9. **What are the main elements of a business plan?**
10. **What is a mission statement and how does it differ to your slogan?**
11. **What is a target market?**
12. **How important is the concept of brand?**
13. **When choosing the location of your business what are some things that you should consider?**
14. **What factors should you consider when developing your marketing plan?**
15. **What are financial records and why are they important?**
16. **Define these terms:**
    1. **Asset**
    2. **Liability**
    3. **Owners equity**
17. **What is the difference between a creditor and a debtor?**
18. **Fill in the missing numbers below**

|  |  |  |
| --- | --- | --- |
| **Assets** | **Liabilities** | **Owners equity** |
| 15,000 | 10,000 | 5,000 |
|  | 5,000 | 10,000 |
| 25,000 |  | 15,000 |
| 12,000 | 7,000 |  |
| 20,000 | 10,000 |  |
|  | 16,000 | 15,000 |
| 29,000 |  | 6,000 |

**Terry and Thomas**

**Balance Sheet at 30 June 2015**

|  |  |  |  |
| --- | --- | --- | --- |
| **Assets** |  | **Liabilities** |  |
| Bank | 500 | Creditors | 1,500 |
| Equipment | 10,000 | Loan from bank | 12,000 |
| Debtors | 2,000 |  |  |
| Vehicle | 8,000 | **Owners Equity** |  |
| Stock | 3,000 | Capital – Terry | 16,000 |
| Furniture | 6,000 | Capital – Thomas |  |
|  | **29,500** |  | **29,500** |

* 1. **Complete the following T format balance sheet**
  2. **What are the total assets?**
  3. **Why is the business likely to owe creditors?**
  4. **If Terry borrowed $5,000 more from the bank to buy equipment what would happen to the balance sheet (explain the changes that would occur)?**
  5. **Create a narrative format balance sheet that shows these changes**

1. **Classify these accounts**

|  |  |
| --- | --- |
| Fees received |  |
| Advertising |  |
| Furniture |  |
| Debtor |  |
| Loan from bank |  |
| Wages |  |
| Creditor |  |
| Van |  |
| Building |  |
| Computer |  |
| Electricity |  |
| Stationary |  |
| Telephone |  |
| Printing |  |

1. **Use the following information to create an Income Statement for Gorgeous Gardens for the month of 31 March 2016**

|  |  |
| --- | --- |
| Revenue | 15,500 |
| Printing | 100 |
| Wages | 5,000 |
| General expenses | 500 |
| Car expenses | 800 |
| Plants | 1,100 |
| Stationary | 300 |
| Electricity | 80 |
| Rent | 800 |
| Gas | 55 |
| Telephone | 250 |

1. **Use the following to create an Income Statement for Ruby’s Photocopying for the year ending 30 June 2015**

|  |  |
| --- | --- |
| Revenue | 210,500 |
| Wages | 110,500 |
| Photocopying | 28,000 |
| Stationary | 1,200 |
| Electricity | 3,200 |
| Rent | 7,000 |
| Telephone | 3,500 |
| Car expenses | 800 |
| Advertising | 1,200 |
| Ink | 600 |