Preparing for Task 2 assessment:

1. Check the unit outline to see what is in the test.
2. Learn the definitions of:

Asset, liability, equity, income and expenses.

1. Be able to answer the following:
2. What is double entry accounting?
3. What is the accounting cycle?
4. What is the accounting equation?
5. What is the purpose of the financial statements?
6. Where would I look to find information on an entity’s financial position?
7. Where would I look to find information on an entity’s financial performance?
8. What is the difference between a trading, manufacturing and service business.
9. Practice preparing income statements and balance sheets. (Redo Doyle questions and questions on Connect, under Library task 2)
10. Review each document on Connect under Task 2.

Good luck!