Accounting Notesheet C. Kohn, Waterford WI

Name: Hour Date:

Date Assignment is due: Why late? Score: + ✓ -
 Day of Week Date If your project was late, describe why**Directions**: Use the accompanying PowerPoint (available online) to complete this sheet. This sheet will be due upon the completion of the PowerPoint in class. These assignments are graded on a +/✓/- scale.

1. Why are accounting and financial records necessary?
2. Many businesses fail due to
3. Accounting and record keeping help a business owner to
4. The purpose of any financial record-keeping system is to provide a picture of
5. What are three other reasons why financial record keeping is necessary?
6. What is accounting?
7. How is this different from book-keeping?
8. What are the two kinds of sheets in which book-keeping and accounting are standardized?
9. What is a balance sheet?
10. This allows anyone who looks at this sheet to
11. How would you know if a business is healthy when you look at its balance sheet?
12. When are balance sheets created?
13. A balance sheet lists the

(what is ) and (what is \_)

in a for that particular point in time.
14. What is an asset?
15. Examples include
16. What is accounts receivable?
17. What is a current asset?

Current assets are usually considered anything that
18. What are fixed assets? and include
19. What is a liability?

Examples include:
20. What is accounts payable?
21. What is the equity of a business?
22. Equity is basically
23. What is equity in a sole proprietorship called?

What is equity in a corporation called?
24. Summarize the three kinds of liabilities below:

Current liabilities:

Long-term liabilities:

Owner’s equity:
25. What does it mean if a business’s books are balanced?
26. What is the equation for balanced books?
27. Equity = -
28. What is a profit loss statement? It is a summary of the
29. When are they prepared?
30. How are they organized?
31. All income and expenses will be
32. At the bottom,
33. What is net profit?
34. What is income?
35. What are expenses?
36. When does profit occur?
37. When does loss occur?
38. What is service income?
39. How is service income determined?
40. What is sales income?
41. How is sales income determined?
42. Summarize each of the following:

Cash Method:

This is an option for a business when

Accrual Method:

This is a good choice because
43. What is the difference between a fiscal and a calendar year?
44. Which should a business use?
45. What is a chart of accounts?
46. Is a chart of accounts always needed? Explain:
47. What is the benefit of having a chart of accounts?
48. How does the numbering system of a chart of accounts work?
49. What happens if you run out of 2-digit numbers?
50. What happens after you have a chart of accounts?
51. Current assets typically consist of what five items?
52. What is the purpose of a Current Asset Account Record?
53. What is inventory?
54. Inventory includes
55. Inventory does not include
56. Why is inventory control needed?
57. The only portion of your inventory that

are the actual
58. What is the cost of goods sold?
59. How is this determined?
60. If a business had $200 in inventory on Jan 1, bought $300 between Jan 1- Dec 31, and had $100 left on Dec 31, what is the cost of goods sold? Show your work and answer below.

Unit Wrap-up C. Kohn, Agricultural Sciences - Waterford WI

This page is designed to help raise your grade while enabling you to develop skills you will need for after high
school. You will need to complete every question and blank in order to receive full credit for your notes. Note: if you cannot come up with a strategy to remember a difficult concept on your own, see your instructor for help.

1. What is a topic or concept from this unit that you found to be more challenging? Write or describe below:

In the space below, create a mnemonic, rhyme, analogy, or other strategy to help you remember this particular concept:
2. What is a 2nd topic or concept from this unit that you found to be more challenging? Write or describe below:

In the space below, create a mnemonic, rhyme, analogy, or other strategy to help you remember this particular concept:
3. What is a 3rd topic or concept from this unit that you found to be more challenging? Write or describe below:

In the space below, create a mnemonic, rhyme, analogy, or other strategy to help you remember this particular concept:
4. Circle the most appropriate response. You will only be graded on whether or not you completed this section, so be entirely honest with yourself when completing this section.

Circle one: *I used my notes outside of class to prepare for the quiz.* Definitely – Yes – Sort of - No

Circle one: *I took extra notes in the margins for very difficult concepts.* Definitely – Yes – Sort of - No

Circle one: *I created a personal strategy for at least three difficult items.* Definitely – Yes – Sort of - No

Circle one: *I was very involved and actively studying during the quiz review.* Definitely – Yes – Sort of - No

Circle one: *I think I will be satisfied with the quiz grade I received this week.* Definitely – Yes – Sort of - No

Circle one: *My instructor is cool & I want to pay dues to be in their fan club.* Definitely – Yes – Sort of - No