**Accounting and Finance Review – approx. 45 marks**

**Format of the test**

1. True or False – approx. 5 marks (K & U)
2. Multiple choice – approx. 10 marks (K & U)
3. Calculation questions – approx. 15 marks (students answer all 3 questions)
	1. Take home pay
	2. Simple vs compound interest
	3. Balance sheet and Income statements
4. Short answer questions – 3 to 4 questions, each worth 4 marks
	1. Topics may cover:
		1. investing advice
		2. investment vehicles
		3. budgets
		4. financial statements
		5. credit
		6. banking system

**What to review:**

1. Introduction to Accounting PowerPoint
	1. Financial Statements – Balance sheet and Income Statement (You need to know how to prepare a simple balance sheet and income statement)
	2. Assets – how are they ordered
	3. Liabilities – how are they ordered
	4. Owner’s equity – net worth, capital
	5. Fundamental accounting equation → A = L + OE
	6. Cash-flow
	7. Terminology
2. Income Management
	1. gross and net pay (take home pay)
	2. typical payroll deductions - E.g. Income Tax, EI and CPP
	3. disposal income, discretionary income
	4. budgeting – fixed vs variable expenses
3. Savings and Investing
	1. difference between savings and investing
	2. types of investments
	3. calculating interest – simple and compound
	4. tips on investing
4. Credit
	1. The 3C’s of credit
	2. Calculating the cost of credit
5. Banking in Canada
	1. Bank of Canada – purpose
	2. Types of Banks Schedule I, II and III
		1. Services that each provides
	3. Chartered Banks