**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