# **BAT 4M1 - REVIEW OF GRADE 11 ACCOUNTING VOCABULARY**

Identify the accounting term that is defined by each of the following phrases. \*\*Terms are listed at the end of this document.

Chapter 1

1. another term for “bookkeeper”
2. a type of business whose goal is to serve society rather than to earn a profit
3. an accountant who may be hired by various individuals or small businesses, rather than do accounting work for a single company
4. the set of accounting procedures which are repeated during each fiscal period
5. the process of collecting, recording, organizing, reporting and analyzing the financial information of a business
6. a business which has more than one owner
7. the time period (usually one year) over which the earnings of a business are measured
8. a business that buys goods and resells them for a profit
9. a business owned by only one person
10. a business owned by shareholders
11. the process of examining the books of a business for accuracy and the use of proper accounting procedures
12. a business which purchases raw materials and converts them into consumer goods for sale

Chapter 2

1. the financial statement showing the financial position of a business, person or organization at a particular point in time
2. another term for “net worth”
3. a person who owes money to a business
4. an item of value owned by a business
5. the process of selling the assets of a business for cash
6. an amount owed by a business to a creditor
7. a debt; for example, AP or Bank Loan
8. a term describing how easily an asset can be converted into cash
9. a person to whom money is owed
10. the term used to identify the left side of an account
11. the name given to this expression: *assets = liabilities + owner’s equity*
12. an amount of money owed to a business by a customer

Chapter 4

1. the balance of a T-account (circled and written in smaller figures)
2. a group of accounts, in a special book or file
3. a list of a business’s accounts and their balances, used to check that debits equal credits
4. the system of recording any transaction using at least two accounts, with debits matching credits
5. a page which is used to record the changes in each individual item affecting the financial position of a business
6. the term used to describe a trial balance in which debits do not equal credits
7. the total of an account
8. the right side of a t-account
9. a trial balance in which debits equal credits

Chapter 5

1. a list, similar to a table of contents, listing the account names and their numbers of a particular business
2. a situation which exists when expenses are greater than revenues
3. another term for “net profit”
4. the opposite of “expense”
5. an owner’s equity account used to record any cash or other assets taken by the owner for personal use
6. a group of accounts used to record particular costs associated with earning a revenue
7. the financial statement which illustrates the profitability of a business over a specific period of time
8. a period of time over which the accounting cycle of a business is completed

Chapter 6

1. another term for “book of original entry”
2. the first journal entry made by a new business, before any transactions occur
3. a bill, issued to a customer who has made a purchase on account
4. the source document which provides proof that a cash sale was made
5. the abbreviation for this term is “HST”
6. a business paper which provides proof that a particular transaction occurred
7. another term for “provincial sales tax”
8. a source document received when making a purchase on account
9. the process of recording entries in a journal
10. a notice from the bank, stating that money was taken from a business’s account for service charges
11. a list of the customers who made payments on account on a particular day, the amount each paid and the total collected
12. the source document which a business retains as proof that it made a cash payment
13. a special journal entry, used to correct an error made earlier

Chapter 7

1. the process of copying information from the journal to the ledger
2. the name of an account
3. the process of preparing a ledger page for a new account
4. the process of continuing an existing account on a new page because the previous page is full
5. during posting, the process of recording the journal page number in the ledger, and the account number in the journal

Chapter 8

1. the form of balance sheet where accounts are listed vertically
2. the form of balance sheet where accounts are listed horizontally
3. a way to organize a balance sheet into current and long-term items
4. a form used to organize ledger accounts prior to preparation of financial statements
5. the figure on the worksheet which balances debits and credits in both the income statement and balance sheet columns
6. another term for *long-term assets*
7. the term which identifies liabilities that are due within one year
8. the term which identifies liabilities which are due after one year

Chapter 9

1. accounting entries made at the end of the cycle, first appearing on the worksheet
2. the type of account that a prepaid expense really is, rather than being an actual expense
3. the name of the account which shows the total depreciation of an asset, since the time it was purchased
4. the method of calculating depreciation which requires reference to a table of depreciation rates for various classes of assets
5. the method of calculating depreciation which needs to be completed only once, as the amount will be the same each year
6. the name of the account which is used only once a year, when closing accounts
7. the name used to identify the group of accounts which are closed at the end of a fiscal period
8. the name used to identify the group of accounts which remain open from one fiscal period to the next

Chapter 12

1. a ledger that contains detailed information of accounts of a particular type, such as AR or AP
2. a general ledger account that shows the total of a particular subsidiary ledger
3. the procedure for checking that the totals in a ledger equal the total in the control account.

**TERMS FOR VOCAB REVIEW**

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| 1  2  3  4  5  6  7  8  9  10  11  12  13  14  15  16  17  18  19  20  21  22  23  24  25  26  27 | account  account payable, debt  accounting equation  AR  Asset  balance  balance sheet  capital  chart of accounts  credit  creditor  debit  debtor  double-entry accounting  drawings  expenses  in balance  ledger  liability  liquidation  liquidity  net income  net loss  out of balance  pin total  revenue  trial balance | 28  29  30  31  32  33  34  35  36  37  38  39  40  41  42  43  44  45  46  47  48  49  50  51  52  53 | (general) journal  accounting  accounting clerk  accounting cycle  cash receipts daily summary  cash sales slip  cheque copy  correcting entry  cross-referencing  debit memo  fiscal period  forwarding an account  harmonized sales tax  income statement  journalizing  non profit organization  opening an account  opening entry  partnership  posting  public accountant  purchase invoice  retail sales tax  sales invoice  source document  title | 54  55  56  57  58  59  60  61  62  63  64  65  66  67  68  69  70  71  72  73  74  75  76  77  78 | account  accumulated depreciation  adjustments  asset  audit  balancing the ledgers  classification  control account  corporation  current  declining-balance  fiscal period  fixed (plant and equipment)  income summary  long-term  manufacturer  net income or net loss  nominal  real  report  retailer  sole proprietorship  straight-line  subsidiary ledger  worksheet |