

## Financial Statements

### Assessment Task

#### **Financial statements of a business (Group activity) (LO3 AS5)**

Discuss the questions below in your group and write your answers in your workbook.

- a) Name three financial statements of a business that enable you to make interpretations about the financial health of the business. [3 marks]
  - b) What do you test with a trial balance? [1 mark]
  - c) Why should you determine the net worth of a business? Give three reasons. [3 marks]
  - d) Which statement shows the profit of a business? [1 mark]
  - e) Which statement shows the assets and liabilities of a business? [1 mark]
  - f) In which journals do you enter cash transactions? [2 marks]
  - g) In which journals do you enter credit transactions? [2 marks]
  - h) In which section of the general ledger do you compile the statement of net worth of a business? [1 mark]
  - i) In which section of the general ledger do you compile the income statement of a business? [1 mark]
- [Total: 15 marks]

#### **Group assessment checklist**

<b>Criteria</b>	<b>Yes</b>	<b>No</b>
Our group could name three financial statements that enable you to make interpretations about the financial health of a business.		
Our group could identify the purpose of various financial statements.		
Our group appreciates the need for the interpretation of financial statements.		
Our group worked well together as a team.		
The members of our group show tolerance and respect towards others.		