



Worksheet 2: Using accounting terms

Explain the difference between the following business statements.

1	Statement 1	Statement 2
	The business has lots of cash	The business has lots of profit
What is the difference between Statement 1 and Statement 2?		

2	Statement 1	Statement 2
	Soham is a shareholder of a business	Soham is a stakeholder of a business
What is the difference between Statement 1 and Statement 2?		

3	Statement 1	Statement 2
	The business has prepared the trade receivables ledger control account.	The business has prepared the trade receivables subsidiary ledger account.
What is the difference between Statement 1 and Statement 2?		

4	Statement 1	Statement 2
	The business has prepared the statement of cash flows.	The business has prepared the cash budget.
What is the difference between Statement 1 and Statement 2?		