

Year 11 Accounting Worksheet 8

Balance Day Adjustment

(Note: Answer the following questions in your activity book.)

1. Define balance day adjustment.

(1 mark)

2. Explain **one** purpose of balance day adjustment.

(2 marks)

3. List **three** types of balance day adjustment.

(3 marks)

4. State **two** accounting concepts which are related to balance day adjustment.

(2 marks)

5. State the **two** accounts affected when income is received in advanced and whether the accounts increase or decrease.

(2 marks)