

**Year 12 Accounting Worksheet 2**

**Nature of Accounting**

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

1. Define Management Accounting. (1 mark)

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2. Differentiate between Accounting Standards and Conceptual Framework. (2 marks)

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3. State **one** reason for preparing the following financial statements: (2 marks)

**Special purpose financial statement** -----

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**General purpose financial statement** -----

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4. Name the **two** fundamental qualitative characteristics of accounting information.

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----- (2 marks)

5. Define the **three** qualitative characteristics of accounting information given below:

**Comparability** -----

----- (1 mark)

**Verifiability** -----

----- (1 mark)

**Understandability** -----

----- (1 mark)