



# Accounting Academy - EXERCISE

## Financial Statement Elements

### Part 1

Matching. Choose the letter of the definition in the right-hand column that matches the term listed in the left-hand column. Each definition may be used only once.

#### Term

#### Definition

- |                                 |   |
|---------------------------------|---|
| _____ 1. Noncurrent assets      | A. The difference between total assets, deferred outflows of resources, total liabilities, and deferred inflows of resources.                   |
| _____ 2. Governmental funds     | B. Represents a measure of available spendable financial resources  |
| _____ 3. Noncurrent liabilities | C. Items expected to be converted to cash or used up within one year.   |
| _____ 4. Net position           | D. Will be satisfied through the use of current assets and payable within one year from the balance sheet date.                                 |
| _____ 5. Fund accounting        | E. Items payable over a period longer than one year.  |
| _____ 6. Proprietary funds      | F. Report current assets and current liabilities on their balance sheets and primarily revenues and expenditures on their operating statements. |
| _____ 7. Current assets         | G. Report all assets and all liabilities, whether current or noncurrent, on their statement of net position.                                    |
| _____ 8. Fund balance           | H. Longer lived assets that are intended to last longer than one year.  |
| _____ 9. Current liabilities    | I. Is used to permit separate accounting for resources affected by different types of spending restrictions and/or accounting principles.       |



## **Accounting Academy - EXERCISE**

### **Financial Statement Elements**

#### **Part 2**

Determine whether each financial statement element normally has a debit balance or a credit balance.

- \_\_\_\_\_ 1. Sales tax revenue
- \_\_\_\_\_ 2. Deferred inflow of resources for pensions
- \_\_\_\_\_ 3. Salaries and benefits expenditure
- \_\_\_\_\_ 4. Investment income
- \_\_\_\_\_ 5. Transfer out to capital projects fund
- \_\_\_\_\_ 6. Deferred outflow of resources; loss on refunding of debt
- \_\_\_\_\_ 7. Accounts payable
- \_\_\_\_\_ 8. Fund balance
- \_\_\_\_\_ 9. Due from other funds
- \_\_\_\_\_ 10. Capital outlay expenditure