ACCOUNTING 2001

CLASS REVIEW QUIZ 2 (CHAPTER 1 and 2)

1. An account is:
   a. an accounting record in which a transaction is first recorded.
   b. the complete listing of the titles to be used by the entity.
   c. a device used for recording increases and decreases in each financial statement item.
   d. None of the above.

2. Accounts that impact owners’ equity account are:
   a. common stock.
   b. dividends.
   c. expenses.
   d. All of the above.

3. The balance of an account is:
   a. the difference between the total of the debits and the total of the credits in an account.
   b. normally on the debit side of an asset account.
   c. normally on the credit side of a liability account.
   d. All of the above.

4. A credit is used to record:
   a. an increase in an asset.
   b. a decrease in a liability.
   c. a decrease in owners’ equity.
d. None of the above.

5. When a business pays a liability with cash:
   a. record the decrease in cash as a debit.
   b. record the decrease in accounts receivable as a debit.
   C. record the decrease in accounts payable as a debit.
   d. record the decrease in accounts receivable as a credit.

6. The collection of all accounts for an accounting entity is:
   a. a general journal.
   b. a general ledger.
   c. a trial balance.
   d. None of the above.

7. The process of recording a transaction in a record of original entry is:
   a. posting.
   b. footing.
   C. journalizing.
   d. None of the above.

8. The process of transferring an amount recorded in the journal to the indicated account in the ledger is:
   a. posting.
   b. footing.
   c. journalizing.
   d. None of the above.
9. A statement that shows the name and balance of all ledger accounts arranged according to whether they are debit or credit balances is:

a. a trial balance.
b. a chart of accounts.
c. a general ledger.
d. None of the above.

ANSWERS TO CLASS REVIEW QUIZ 2

1. c
2. d
3. d
4. d
5. c
6. b
7. c
8. a
9. a