

ACCT130  
Online Quiz Ch2

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Which of the following types of accounts have a normal credit balance?

Select one:

- a. capital and drawing
- b. assets and liabilities
- c. liabilities and expenses
- d. revenues and liabilities

The correct answer is: revenues and liabilities

Laith withdraws \$1,000 cash from his business for personal use. The entry for this transaction will include a debit of \$1,000 to

Select one:

- a. Salaries and Wages Expense.
- b. Owner's Capital.
- c. Owner's Drawings.
- d. Owner's Salaries Expense.

The correct answer is: Owner's Drawings.

The Term (Posting) refer to:

Select one:

- a. Transfer of Information from ledger to Trial Balance.
- b. Prepare Financial Statements from Trial Balance.
- c. Transfer of Journal Entries to ledger accounts.
- d. None of the above.

The correct answer is: Transfer of Journal Entries to ledger accounts.

Unearned Service Revenue is considered as:

Select one:

- a. Revenue
- b. Liability
- c. Asset
- d. Owner's equity

The correct answer is: Liability

A debit

Select one:

- a. Always increases an account.
- b. Is the right-hand side of a T-account.
- c. Is the left-hand side of a T-account.
- d. Always decreases an account.

The correct answer is: Is the left-hand side of a T-account.

A debit is not the normal balance for which account listed below?

Select one:

- a. Owner's Drawings
- b. Service Revenue
- c. Accounts Receivable
- d. Cash

The correct answer is: Service Revenue

Which statement(s) concerning cash is (are) true?

Select one:

- a. all of the above
- b. cash will always have more debits than credits
- c. cash will never have a credit balance
- d. cash is increased by debiting

The correct answer is: cash is increased by debiting

The order of the accounts in the trial balance is:

Select one:

- a. assets, liabilities, owner's capital, owner's drawings, revenues, expenses.
- b. assets, revenues, expenses, liabilities, owner's capital, owner's drawings.
- c. revenues, assets, expenses, liabilities, owner's capital, owner's drawings.
- d. owner's capital, assets, revenues, expenses, liabilities, owner's drawings.

The correct answer is: assets, liabilities, owner's capital, owner's drawings, revenues, expenses.

On July 8, 2019, Smile Dentistry performed cash services of \$1,900. The entry to record this transaction would include

Select one:

- a. a debit to Cash of \$1,900.
- b. a credit to Accounts Payable of \$1,900.
- c. a credit to Accounts Receivable of \$1,900.
- d. a debit to Service Revenue of \$1,900.

The correct answer is: a debit to Cash of \$1,900.

On October 3, Dimension Company, received a cash payment for services previously billed to a client. The entry will be a :

Select one:

- a. credit to Owner's Capital.
- b. debit to Accounts Receivable.
- c. credit to Accounts Receivable.
- d. credit to Notes Payable.

The correct answer is: credit to Accounts Receivable.