

CHAPTER 4 END-OF-CHAPTER QUESTIONS

TRUE/FALSE

ANSWER THE FOLLOWING QUESTIONS IN THE SPACE PROVIDED BEFORE THE QUESTION NUMBER.

- T 1. Accrual-Basis accounting matches the income from the period and the expenses for the period in order to determine the net income or net loss for the period.
- F 2. In QuickBooks Pro, the Journal is called the book of final entry.
- F 3. An account may be deleted at any time.
- F 4. In a sole proprietorship, an owner's name is added to the Vendor List for recording withdrawals.
- T 5. Additional investments made by an owner may be cash or non-cash items.
- T 6. QuickBooks Pro keeps a Journal of every transaction recorded.
- T 7. QuickBooks Pro keeps the last two bank reconciliation reports in memory.
- F 8. Once an account has been used in a transaction, no changes may be made to the account name.
- T 9. Anything entered as a service charge or as interest earned during a bank reconciliation will be entered automatically when the reconciliation is complete.
- F 10. A Balance Sheet is prepared to prove the equality of debits and credits.

MULTIPLE CHOICE

WRITE THE LETTER OF THE CORRECT ANSWER IN THE SPACE PROVIDED BEFORE THE QUESTION NUMBER.

- B 1. To close a period, you must have (a) _____.
A. transaction password
B. administrator
C. entry password
D. a user assigned as closing