Raya High Institute

Course Title: Accounting Studies

Year: 4th year

Quiz No 3

1) On July 7, 2022, Rayah Enterprises performed cash services of $1,400. The entry to record this transaction would include
   a. a debit to Service Revenue of $1,400
   b. a credit to Accounts Receivable of $1,400
   c. a credit to Accounts Payable of $1,400
   d. a credit to Cash of $1,400
   e. a debit to Cash of $1,400

2) All of the following are true regarding journal entries except?
   a. Journal entries show the effects of transactions
   b. The debited account titles are listed first
   c. Each journal entry should begin with a date
   d. Journal entries provide account balances

3) Credits
   a. increase both assets and liabilities
   b. decrease both assets and liabilities.
   c. decrease assets and increase liabilities.
   d. increase assets and decrease liabilities

4) Debits
   a. increase both assets and liabilities
   b. decrease both assets and liabilities.
   c. decrease assets and increase liabilities.
   d. increase assets and decrease liabilities.

5) Powers Corporation received a cash advance of $500 from a customer. As a result of this event
   a. Assets decreased by $500 (Credited).
   b. Equity increased by $500 (Credited).
   c. Liabilities decreased by $500 (Debited).
   d. Both assets and liabilities increased by $500 (Debited and Credited).