

Raya High Institute

Course Title: Accounting Studies

Year: 4th year

Quiz No 7

True/False

- 1) Assets such as cash and supplies have value because they can be used to acquire other assets or be used to operate a business
- 2) Keeping personal and business records separate is an application of the economic entity assumption
- 3) The sum of the assets and liabilities of a business always equals the investment of a business owner
- 4) Only one account is affected in every transaction.
- 5) The owner of a business paid personal rent with a company cheque. This payment reduces Cash as well as increases the expenses of the firm