

# [Jmaddox15](https://assignbuster.com/jmaddox15/)

journal entries recorded to update general ledger accounts at the end of a fiscal period are calledadjusting entriesAdjusting entries are recorded on the next journal page following the page on which the last daily transactions for the month are recorded. TrueIf the beginning balance of Supplies was $2, 500. 00 and the ending balance of Supplies is $1, 750. 00, what is the amount of the adjusting entry to Supplies Expense for the period?$750If the balance in Prepaid Insurance is a debit of $2, 400. 00 and the value of insurance coverage remaining at the end of the period is $600. 00, what entry should be made to adjust Insurance Expense and Prepaid Insurance? Debit Insurance Expense for $600. 00 and credit Prepaid Insurance for $600. 00Accounts used to accumulate information from one fiscal period to the next are calledpermanent accountsThe ending account balances of permanent accounts for one fiscal period are " zeroed out" for the next fiscal periodFalseAccounts used to accumulate information until it is transferred to the owner's capital account are called real accounts. FalseNominal accounts are also known as temporary accounts. TrueTemporary accounts show changes in the owner's capital for a single fiscal periodTrueTemporary accounts begin a new fiscal period with the ending balance from the previous fiscal period. FalseThe income summary account is unique becauseit does not have a normal balance side. Withdrawals are assets that the owner takes out of a business and whichdecrease the amount of owner's equityThe drawing account is a(nneither revenue nor expense accountIf a business incurs a net loss, the closing entry is a credit to the owner's capital account and a debit to the income summary accountFalseA trial balance prepared after the closing entries are posted is called a post-closing trial balance. TrueOnly general ledger accounts with balances are included on a post-closing trial balance. TrueAlthough the temporary accounts are closed and have zero balances, they still appear on a post-closing trial balance to prove that they've been " zeroed out." FalseThe series of accounting activities included in recording financial information for a fiscal period is called a(n)accounting cycleWhen total expenses are more than revenue resulting in a net loss, the income summary accounthas a debit balanceA temporary account titled Income Summary is used to summarize the closing entries for therevenue and expense accounts ONJMADDOX15 SPECIFICALLY FOR YOUFOR ONLY$13. 90/PAGEOrder Now