

Chapter 4

Performing Banking Tasks

Name: _____

Class: _____

Date: _____

1. Changing a transaction that has been cleared through reconciliation should NOT cause any problems.
 - A. True
 - B. False
2. Using a debit card deducts funds from a checking account, which is an asset. This means the debit card normal balance is a credit.
 - A. True
 - B. False
3. Bank Feeds automatically download your transaction history and account balance.
 - A. True
 - B. False
4. Each balance sheet account has its own register.
 - A. True
 - B. False
5. It is NOT necessary to indicate the main type of account when creating a new account.
 - A. True
 - B. False
6. Deposits are the first step in the cycle of a sale.
 - A. True
 - B. False
7. In QuickBooks, there is no limit to the number of credit cards you can use.
 - A. True
 - B. False
8. All financial institutions offer bank feed services that integrate with QuickBooks.
 - A. True
 - B. False

9. If you use a personal credit card occasionally for business purposes, you should NOT enter it into QuickBooks as business credit card.
- A. True
 - B. False
10. Which of these accounts has its own register?
- A. Sales
 - B. Rent Expense
 - C. Opening Balance Equity
 - D. All of these options
11. What does a reconciliation report show?
- A. Cleared transactions
 - B. Transactions not yet cleared
 - C. Discrepancies between QuickBooks and a bank statement
 - D. Missing account information
12. In the Chart of Accounts, what are bank accounts listed as?
- A. Credits
 - B. Debits
 - C. Assets
 - D. Liabilities
13. Which statement about transferring funds between two asset accounts is true?
- A. Debit the account that is increasing and credit the account that is decreasing.
 - B. Credit the account that is increasing and debit the account that is increasing.
 - C. Credit both the account that is increasing and the account that is decreasing.
 - D. Debit both the account that is increasing and the account that is decreasing.
14. Rasha doesn't like how her Chart of Accounts is sorted and that she must scroll up/down to find accounts. What can she do to make it easier to find the accounts she needs?
- A. She can use the Item List; accounts are much easier to find there.
 - B. Nothing; she'll just have to get used to it.
 - C. She can press [Ctrl]+[S] to open the Search feature and type in her account name.
 - D. She can click a column heading to sort that column.

15. Which statement about making deposits is true?
- A. Funds received through sales are held in Savings, and you must move them to Checking.
 - B. Funds received through sales are held in Received Payments, and you must move them to your bank account.
 - C. Funds received through sales are held in Accounts Payable, and you must move them to your bank account.
 - D. Funds received through sales appear as deposited directly into your bank account.
16. A credit card is a liability, so it's normal balance is a(n):
- A. sale
 - B. debit
 - C. payment
 - D. credit
17. Adam is entering his utility bill payment into QuickBooks for the first time. In the Enter Bills window he uses a debit card to pay, and then he enters the transaction in the Write Checks window. Later he notices that the expense for the transaction shows as twice the amount he paid. Why?
- A. He used a debit card when he should have used a credit card.
 - B. QuickBooks always shows double charges because of debits and credits.
 - C. He entered both a debit card payment and a write checks payment.
 - D. He entered the debit card payment twice.
18. Which statement about deleted and voided transactions is true?
- A. Both are recorded and become part of the overall records.
 - B. Both are removed from the overall records.
 - C. Deleted transactions are removed; voided transactions are recorded and become part of the overall records.
 - D. Voided transactions are removed; deleted transactions are recorded and become part of the overall records.
19. Wasim is a meticulous record-keeper and has been printing his QuickBooks reports every day, but he's becoming concerned about the cost and overuse of paper. How else could Wasim keep a record of his QuickBooks reports?
- A. He can email the reports to himself as PDF or Excel files.
 - B. He can export the reports to Excel.
 - C. He can save the reports to his computer as PDF files.
 - D. Any of these options

20. You use the Balance Sheet Summary report to check that _____ are accurate and in balance.
- long term and short term assets
 - assets and liabilities
 - credits and debits
 - checking and savings
21. Lamar finds reconciling his bank statement with his QuickBooks file at the end of the month too time-consuming. Upon learning that his bank offers a bank feed with QuickBooks, Lamar signs up for the service. How will this change his monthly reconciliation?
- It won't. Reconciliation will likely take just as long and be just as complicated.
 - He will not have to do reconciliation at all anymore.
 - Reconciliation will be quicker because most transactions will have been matched already.
 - The teller will do the reconciliation for him.
22. What QuickBooks feature allows you to upload, store, and use scanned documents and other files?
- Item List
 - Doc Center
 - Chart of Accounts
 - Company Snapshot
23. Match each report to the question it will answer.
- | | | |
|-------------------|-------|---|
| A. Register | _____ | 1. What changes in transactions may affect my next reconciliation? |
| QuickReport | | |
| B. Reconciliation | _____ | 2. What checks have not cleared the bank as of the last bank statement? |
| Summary | | |
| C. Company | _____ | 3. Which report shows all asset, liability, and equity accounts? |
| Snapshot | | |
| D. Balance Sheet | _____ | 4. Where can I see a quick view of my company's bottom line? |
| E. Reconciliation | _____ | 5. What are all the transactions in my Checking account involving a specific payee? |
| Discrepancy | | |

24. Match each description to its term.

- A. Funds are taken directly from your checking account _____
- B. After this you can choose to write a check or enter a bill for the payment _____
- C. Shows transactions that have and have not yet cleared the bank _____
- D. Shows all asset, liability, and equity accounts _____
- E. Provides a quick view of the company's bottom line _____

- 1. Reconciliation reports
- 2. Credit card reconciliation
- 3. Company Snapshot
- 4. Debit card purchase
- 5. Balance Sheet

25. Match each account name to its type.

- A. Retail Product Sales _____
- B. Savings _____
- C. Furniture and Equipment _____
- D. Payroll Liabilities _____
- E. Owner's Draw _____
- F. Undeposited Funds _____

- 1. Bank
- 2. Other Current Asset
- 3. Equity
- 4. Income
- 5. Other Current Liability
- 6. Fixed Asset