Accounting Equation Quiz Questions

- 1. True or False: the accounting equation is a mathematical principle?
- 2. What is based on the accounting equation?
- 3. What is the accounting equation?
- 4. Match the following:

Α	Example 🔍	What the business ownership represents
В	Assets	What the business owes
С	Liabilities	Answers
D	Equity	What the business owns

5. From this list, tick the ones that are assets:-

Cash, Office equipment, Loans, Subscriptions, Machinery, Vehicles, Overheads, Accounts receivable

- 6. What are the accounts found under assets, liabilities and equity known as?
- 7. From this list, tick the ones that are liabilities:-

Bank loans, Building, Funds borrowed from a finance institution, Income, Accounts payable, Sales

- 8. What are the accounts found under income and expenses known as?
- 9. What accounting report are assets, liabilities and equity found on?
- 10. What does the balance sheet indicate about the business?

For more info, go to www.beginner-bookkeeping.com/the-accounting-equation.html

Accounting Equation Quiz Answers

- 1. True
- 2. Double-entry bookkeeping
- 3. Assets equals liabilities plus equity

4.

Α	Example	Represents the ownership of business
В	Assets	What the business owes
С	Liabilities	Answer
D	Equity	► What the business owns

- 5. Office equipment, Machinery, Vehicles, Accounts Receivable
- 6. Permanent
- 7. Bank loans, Funds Borrowed, Accounts Payable
- 8. Temporary accounts
- 9. Balance sheet
- 10. The financial condition of a business