Computer Accounting with QuickBooks Online A Cloud Based Approach 2nd edition Yacht Test Bank

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Chapter 2 Test Bank: New Company Setup and the Chart of Accounts

Computer Accounting with QuickBooks Online: A Cloud-Based Approach, 2e

MULTIPLE CHOICE

1. Refers to software that is built, installed, delivered and accessed entirely from remote web servers.
   a. Cloudware.
   b. Software.
   c. Hardware.
   d. Google docs.
   e. All.

   Answer: a (Cloudware)

   Difficulty: Medium

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2. The name of the company set up in Chapter 2 is:
   a. QuickBooks Online.
   b. Cloudware
   c. QB Cloud_Student Name.
   d. Saas.
   e. None.

   Answer: c (QB Cloud_Student Name)

   Difficulty: easy

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3. Another name for the Chart of Accounts is:
   a. Balance Sheet.
   b. Trial Balance.
   c. Account List.
   d. Profit and Loss.
   e. All.

   Answer: c (Account List)

   Difficulty: easy

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4. A list of all the changes that have been made to the company data and by whom.
   a. Settings menu.
   b. Navigation bar.

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c. Business processes.
d. Audit log.
e. All.

Answer: d (Audit log)

Difficulty: Medium

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5. The _____ has all the access rights within QBO.
a. User.
b. Client.
c. Company Administrator.
d. QBO access rights are not assignable.
e. None.

Answer: c (Company Administrator)

Difficulty: Hard

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6. Multi-factor authentication requires a:
a. Vendor purchase.
b. Confirmation code.
c. Customer receipt.
d. Chart of Accounts.
e. None

Answer: b (Confirmation Code)

Difficulty: Hard

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7. This term refers to a business owner's ability to regularly check fraud prevention procedures.
a. Business processes.
b. Generally accepted accounting principles.
c. Keyboard shortcuts.
d. Internal control.
e. All.

Answer: d (Internal control)

Difficulty: Hard

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8. Each sign-in may be authenticated by:
   a. Manage users.
   b. IP address.
   c. Internal control.
   d. Defaults.
   e. None

   Answer: b (IP address)

   Difficulty: Hard

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9. Using a subscription model, this is a way of delivering applications over the Internet.
   a. Software as a Service.
   b. Windows computers.
   c. Macintosh computers.
   d. IP addresses.
   e. All.

   Answer: a (Software as a service)

   Difficulty: Medium

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10. When changes are made, this type of message may appear on QBO page(s):
   a. FYI.
   b. Updates.
   c. QBO blog and archive
   d. Create menu.
   e. All

   Answer: b (Updates)

   Difficulty: Hard

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TRUE/FALSE

11. Software as a service and cloud computing are alike.
   Answer: True

12. When setting up your company, use a valid email address.
   Answer: True

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13. Each time you sign into QBO, the software is the most current version which means some of the screens may change.
Answer: True

14. The Dashboard always includes updated message.
Answer: False (When changes occur, an updated screen prompt appears.)

15. QuickBooks Online automatically sets up a chart of accounts.
Answer: True

16. View register accounts appear on the Profit & Loss report.
Answer: False (View register accounts are bank, current and fixed assets, liabilities and equity, also known as Balance Sheet accounts.)

17. The QBO Chart of Accounts automatically sets up the appropriate account numbers.
Answer: False (You need to enable account numbers.)

18. On the Chart of Accounts, the Run report accounts appear on the Balance Sheet.
Answer: False (Run Report accounts are on the Profit and Loss report – income, cost of goods sold, and expenses.)

19. Retained earnings is a View register account.
Answer: False (Retained earnings is a Run report account.)

20. When batch edit is selected, the Chart of Accounts includes a number field so that numerous account numbers can be added.
Answer: True

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