**ROHLIK ENTRY TEST- ACCOUNTING FUNDAMENTALS**

**Level:** OTC (AR) Basics

Please indicate the correct answer:

1. **Is accounts receivable an asset?**

No

Yes

1. **What are accounts receivable?**

Amounts owed to suppliers

Amounts owed by customers

1. **Does accounts receivable count as revenue?**

Yes

No

1. **The balance in Accounts Receivable is decreased with a \_\_\_\_\_\_\_\_\_\_ entry.**

Debit

Credit

1. **Accounts receivable are reported on which financial document?**
2. Balance sheet
3. Income statement
4. Annual report
5. **A company had the following balance sheet accounts and balances:**

Accounts Payable 24,000

Cash 12,000

Accounts Receivable 4,000

Share Capital ?

Buildings & Equipment (net) 68,000

Retained Earnings 8,000

What is the balance of the Share Capital account?

1. **Revenues minus expenses equals**

\_\_\_\_\_\_\_\_\_\_

1. Rohlik issued invoice for selling services to czech customer in amount of 10.000 CZK, including VAT. How would you book the invoice? Please use T accounts.
2. **What is Bad debt?**
3. **What can I do to make customers pay faster their invoices?**