

Name:

B-01.08

Date:

Section:

- (a) The fundamental accounting equation precludes a situation where liabilities exceed assets.
Disagree
- (b) A complete set of financial statements would include a cash flow statement.
- (c) The balance sheet can prepared in a vertical or horizontal format.
- (d) The form of dating each financial statement is identical.
- (e) Many assets are reported at their historical cost.
- (f) Revenue should not be recognized before it is collected.
- (g) The term income is synonymous with the term revenue.
- (h) Dividends are reported as an expense on the income statement.
- (i) Retained earnings will equal cash on hand.
- (j) Issuing stock does not increase a company's revenue or income.