

Name: _____

Accounting Chapter 10 Note-Taking Guide

As you read Chapter 10, answer the following questions.

1. What are closing entries?
2. List the 9 steps in the Accounting Cycle here:
3. What is the purpose of the Income Summary account?
4. Is Income Summary a temporary or permanent account?
5. Does Income Summary have a normal balance?
6. Does Income Summary appear on any financial statement?
7. The first step in the closing procedure is to transfer the balance of the _____ account to Income Summary.
8. The second closing entry transfers the balances of the _____ accounts to Income Summary.
9. The third closing entry transfers the balance of the _____ account to the Capital Account.

10. The fourth and last closing entry transfers the balance of the _____ account to the capital account.
11. What is a compound entry?
12. What is the debit side of the Income Summary account used for?
13. What is the credit side of the Income Summary account used for?
14. What is an entry called that has two or more debits or two or more credits?
15. Which ledger accounts do not appear in the post-closing trial balance?
16. Is the post-closing trial balance dated for a point in time or a period of time? Why?
17. After all closing entries have been posted, what are the balances of the temporary capital accounts?
18. What is the ninth step in the accounting cycle?