

Answers to Study Guide Questions

CHAPTER 20

PART 1 True/False

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|------|-------|-------|
| 1. F | 6. T | 11. F |
| 2. F | 7. F | 12. F |
| 3. F | 8. F | 13. T |
| 4. F | 9. T | 14. T |
| 5. T | 10. F | 15. T |

PART 2 Completion—Language of Business

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|-----------------------|-----------------------|
| 1. charter | 6. premium |
| 2. outstanding stock | 7. dividends |
| 3. no-par | 8. authorized capital |
| 4. organization costs | 9. closely held |
| 5. stockholders | 10. corporation |

PART 3 Classifying Accounts and Their Balances

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|-----------------------|------------------------|
| 1. <u>C</u> <u>Cr</u> | 6. <u>C</u> <u>Dr</u> |
| 2. <u>C</u> <u>Cr</u> | 7. <u>C</u> <u>Cr</u> |
| 3. <u>C</u> <u>Cr</u> | 8. <u>A</u> <u>Dr.</u> |
| 4. <u>C</u> <u>Cr</u> | 9. <u>A</u> <u>Dr</u> |
| 5. <u>C</u> <u>Cr</u> | 10. <u>C</u> <u>Dr</u> |