Principles of accounting Icom Part 1 English Medium Chapter 14 Online Test

Sr	Questions	Answers Choice
1	If the balance of suspense account is credit then it will be shown in balance sheet on	A. Asset side B. Asset and liability side C. Asset and capital side D. Capital and liability side
2	If a liability is recorded as income, it will be considered as	A. Error of commission B. Error of omission C. Error of Principle D. None of these
3	The credit purchases were wrongly recorded in sales book, the rectification of entry	A. Increase the net profit by double amount B. Decrease the net profit by double amount C. Decrease the net profit D. Increase the net profit
4	Transportation cost paid for the purchases of Machinery must be debited to	A. Transportation cost account B. Purchases account C. Machinery account D. Cash account
5	If any expense omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & b D. No effect on profit
6	If goods purchased from Rahim for Rs. 499, credited to Rehman's account for Rs. 499. this is an	A. Error of commission B. Error of principle C. Compensating error D. Error of principle
7	Wages paid for the erection of machine debited to wages account is an example of	A. Error of omission B. Error of commission C. Error of principle D. None of these
8	If any income omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & b D. having no effect on profit
9	If amount for Rs. 554 recovered from Ali, previously written off as bad debts we should	A. Debited to bad debts recovered account B. Credited to Ali account C. Debited to bad debts account D. Credited to bad debts recovered account
10	A sale of Rs. 1000 to Farid, was credited to his account, it will affect	A. Sales account B. Farid account C. Cash account D. Both a & b
11	Errors is casting of subsidiary books are called as	A. Error of omission B. Compensating error C. Error of posting D. Clerical errors
12	Errors, which do not affect on profit calculation, will have an effect only on	A. Trail balance B. Balance sheet C. Profit or loss account D. Trading account
13	Error of carry forward will affect	A. Personal accounts B. Nominal accounts C. Impersonal accounts D. None of these
14	When two or more than two error occurred on the opposite side of the account and cancelled the affect of each are called	A. Errors of omission B. Compensating errors C. Errors of commission D. Errors of principle

15	If a transaction has been completely omitted from the Journal it will be considered	A. Error of commission B. Error of principle C. Error of omission D. None of these
16	If there is any error in Bank account it will affect	A. Trading and profit and loss account B. Profit and loss account C. Trading account D. Balance sheet
17	Trade expenses of Rs. 180 posted in the ledger as Rs. 810, it will be considered as	A. Error of principle B. Error of omission C. Error of casting D. Error of transposition
18	Errors of affect one account can be	A. Errors of principle B. Errors of posting C. Errors of omission D. None of these
19	.If the error committed in the capital account, it will affect	A. Trading account B. Profit and loss account C. Trading and profit and loss account D. Balance sheet
20	Errors of omission affects	A. One account B. Two account C. Three account D. None of these