

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

Sr	Questions	Answers Choice
1	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
2	Any difference in trail balance, is transferred to	A. Sales account B. Nominal account C. Purchases account D. Suspense account
3	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
4	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
5	Errors of omission affects	A. One account B. Two account C. Three account D. None of these
6	Errors of affect one account can be	A. Errors of principle B. Errors of posting C. Errors of omission D. None of these
7	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
8	Errors is casting of subsidiary books are called as	A. Error of omission B. Compensating error C. Error of posting D. Clerical errors
9	Error of principle arises when	A. Any transaction is incorrectly recorded, either wholly or partially B. Any transaction is left wholly or partially C. Any transaction is affects one account D. Any transaction is recorded in fundamentally incorrect manner
10	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
11	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
12	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
13	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
14	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

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5	Error of carry forward will affect	A. Personal accounts B. Nominal accounts C. Impersonal accounts D. None of these
6	Error which affects profit and loss account relates to	A. Nominal account B. Property account C. Personal account D. None of these
17	If any income omitted to be recorded it will	A. Overstate the profit B. Understate the profit C. Both a & D. having no effect on profit
18	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
19	The process of totaling the data at the end of the period is called	A. Posting B. Casting C. Compensating D. Recording
20	.lf 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