Principles of accounting Icom Part 1 English Medium Chapter 6 Online Test

Sr	Questions	Answers Choice
1	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
2	Bad debts are	A. deferred expenditure B. revenue expenditure C. capital expenditure D. none of these
3	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
4	Goods purchased from Robin have been posted to Rahim account, it is an:	A. Error of omission B. Error of casting C. Error of posting D. Error of commission
5	Errors which affect one account can be	A. errors of principle B. errors of posting C. errors of omission D. none of these
6	Preliminary expenses incurred before the commencement of business	A. revenue expenditure B. capital expenditure C. deferred revenue expenditure D. capital loss
7	Receipts which are non-recurring by nature:	A. Capital receipts B. Revenue receipts C. Short term receipts D. Capital profit
8	The capital profit should be transferred to:	A. Profit and loss account B. Trading account C. Balance Sheet D. Both Trading and profit and loss account and balance sheet
9	A receipt is revenue receipt because	A. the amount is small B. it relates to routine activity of business C. it is received in the accounting year D. both b, c
10	If the error committed in the capital account, it will affect	A. trading account B. profit & loss account C. trading and profit & loss account D. balance sheet
11	Suspense means	A. certainty B. uncertainty C. surly D. none of these
12	The profit which is earned during the ordinary course of business is regarded as:	A. Capital profit B. Revenue profit C. Revenue loss D. Long term profit
13	The revenue profit should be transferred to:	A. Balance sheet B. Trading account C. Profit and loss account D. None of these
14	Error of posting effects:	A. One account B. Two accounts C. Three accounts D. Four accounts

15	Capitalized expenditures are shown in	A. trading A/c B. profit & loss A/c C. income statement D. balance sheet
16	A credit sale was wrongly passed through purchases book, the rectification of the entry will:	A. Increase the net profit by, double amount B. Decrease the net profit C. Decrease the net profit by double amount D. Have no effect on the net profit
17	Raw material destroyed in fire represents	A. capital loss B. revenue loss C. normal loss D. both b, c
18	Error of principle involves an incorrect allocation of expenditure or receipt between.	A. Capital and revenue B. Capital and capitalized C. Revenue and deferred revenue D. Revenue and revenue
19	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt
20	A transaction has been journalized but posted wrongly in the ledger account, it is an:	A. Error of positing B. Error of principle C. Error of omission D. Error of commission