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

Sr	Questions	Answers Choice
1	An error completely omitted to be entered in the journal	A. partial error B. error of posting C. error of casting D. complete error
2	Some expenses are incurred at the time of the sate of an asset. The Amount will be debited to:	A. Assets account B. Expenses account C. Cash account D. Purchases account
3	Receipts, which are non-recurring by nature, are called	A. revenue receipts B. current receipts C. capital receipts D. capital profit
4	The revenue profit should be transferred to:	A. Balance sheet B. Trading account C. Profit and loss account D. None of these
5	Unearned income are known as:	A. Incomes B. Expenses C. Liabilities D. Assets
6	Which account will be created in the presence of suspense account, if sales book is undercast by Rs. 500	A. suspense A/c B. sales A/c C. cash A/c D. none of above
7	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
8	Suspense means	A. certainty B. uncertainty C. surly D. none of these
9	An expenditure incurred in increasing the efficiency of a fixed asset is called:	A. Revenue expenditure B. Capital expenditure C. Current expenditure D. None of these
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	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
12	Which one of the following is appeared in the balance sheet ?	A. revenue expenditure B. capital expenditure C. deferred revenue D. both b,c
13	The outflow of funds to meet the running expenses of a business	A. Revenue loss B. Revenue expenditure C. capital expenditure D. capital loss
14	Any expenditure incurred to increase the earning capacity of a business	A. capital expenditure B. capital loss C. revenue loss D. revenue expenditure
15	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
16	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
17	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
18	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
19	Preliminary expenses incurred before the commencement of business	A. revenue expenditure B. capital expenditure C. deferred revenue expenditure D. capital loss
20	Capital contributed by the partners is a:	A. Revenue receipt B. Capital receipt C. Current receipt D. Deferred receipt