

BOOKKEEPING LEVEL 1 QUIZ 7 UNRECORDED ENTRIES

1. The accountant forgot to record amortization for the period. State whether there would be an Overstatement or Understatement or No Effect on Assets, Liabilities, Equity, Revenue, Expenses and Net Income.

REVENUE	
EXPENSES	
NET INCOME	
ASSETS	
LIABILITIES	
EQUITY	

2. The accountant forgot to record the portion of Unearned Fees that had been earned by year end. State whether there would be an Overstatement or Understatement or No Effect on Assets, Liabilities, Equity, Revenue, Expenses and Net Income.

REVENUE	
EXPENSES	
NET INCOME	
ASSETS	
LIABILITIES	
EQUITY	

3. The accountant forgot to record the unpaid Salaries accrued at year end. State whether there would be an Overstatement or Understatement or No Effect on Assets, Liabilities, Equity, Revenue, Expenses and Net Income.

REVENUE	
EXPENSES	
NET INCOME	
ASSETS	
LIABILITIES	
EQUITY	

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Answers:

1. The accountant forgot to record amortization for the period. State whether there would be an Overstatement or Understatement or No Effect on Assets, Liabilities, Equity, Revenue, Expenses and Net Income.

REVENUE	No Effect
EXPENSES	Understated
NET INCOME	Overstated
ASSETS	Overstated
LIABILITIES	No Effect
EQUITY	Overstated

2. The accountant forgot to record the portion of Unearned Fees that had been earned by year end. State whether there would be an Overstatement or Understatement or No Effect on Assets, Liabilities, Equity, Revenue, Expenses and Net Income.

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