

WorldatWork

Exam T7

International Financial Reporting Standards for Compensation Professionals Exam

Verson: Demo

[Total Questions: 10]

Question No : 1

What is the timing of revenue recognition?

- A.** When it is probable that future economic benefits will flow to the company and reliable measurement of the amount of revenue is possible
- B.** When the company reports current and non-current classifications in its statement of financial position
- C.** When economic benefits are received by the company and reliable measurement of the amount of revenue is possible
- D.** When users have sufficient reasonable knowledge of business and financial accounting matters to understand the information

Answer: A

Question No : 2

What is one of the main purposes of the International Financial Reporting Interpretations Committee (IFRIC)?

- A.** Provide guidance on reporting issues not specifically addressed in International Accounting Standards Board (IASB)'s standards
- B.** Provide advice to International Accounting Standards Board (IASB) on priorities
- C.** Monitor International Accounting Standards Board (IASB)'s effectiveness, raise funds, and approve budget
- D.** Discuss the roles and responsibilities of the International Accounting Standards Board (IASB) and its advisory groups

Answer: A

Question No : 3

Which fundamental qualitative characteristics make accounting information useful for decision-making?

- A. Relevance and faithful representation
- B. Cost and materiality
- C. Assets and liability
- D. Income and expenses

Answer: A

Question No : 4

Who appoints International Accounting Standards Board (IASB) members?

- A. Standards Advisory Council (SAC)
- B. International Accounting Standards Committee (IASC) Foundation
- C. International Financial Reporting Interpretations Committee (IFRIC)
- D. International Accounting Standards Board (IASB) staff

Answer: B

Question No : 5

What is the purpose of an income statement?

- A. To show liability and equity and the manner in which those funds are employed
- B. To account for changes in cash during the accounting period
- C. To show details of the nature of a company's operating activities
- D. To reconcile the beginning and ending balances of stockholders' equity

Answer: C

Question No : 6

What is the purpose of a balance sheet?

- A. To show sources of funds and the manner in which those funds are employed
- B. To account for changes in cash during the accounting period
- C. To show details of the nature of a company's operating activities
- D. To reconcile the beginning and ending balances of stockholders' equity

Answer: A

Question No : 7

Company XYZ outsourced its printing services to a specialist printing firm. The specialist firm took responsibility for the staff, though the team remains on Company XYZ's premises. Which of the following is true?

- A. Because they remain on your premises, they are considered staff costs
- B. Due to the outsourcing of the staff, they are now considered service-supplier costs rather than staff costs

Answer: B

Question No : 8

Identify the characteristic being employed when companies in the same industry are using the same accounting principles.

- A. Comparability
- B. Relevance
- C. Faithful representation
- D. Verifiability

Answer: A

Question No : 9

Issuance of interim reports is an example of what enhancing characteristic?

- A. Comparability
- B. Verifiability
- C. Relevance
- D. Timeliness

Answer: D

Question No : 10

Defined contribution plans are an example of which kind of employee benefits?

- A. Short-term benefits
- B. Post-employment benefits
- C. Termination benefits
- D. Long-term benefits

Answer: B