

Principles of Accounting Icom Part 2 English Medium Chapter 2 Online Test

Sr	Questions	Answers Choice
1	If the credit side of the income and expenditure account is greater than the debit side, it is termed as.	A. Deficit B. Surplus C. Asset D. Liability
2	A receipts and payments account is similar to	A. An income and expenditure account B. A statement of affairs C. A cash or a bank account D. A profit or loss account
3	Donations received in heavy amounts are treated as.	A. Revenue B. Capitalized C. Liability D. Assets
4	Non-profit making organizations are established for	A. Profit B. Charitable or religious purpose C. To manufacture goods D. To help the rich people
5	Receipt and payment account starts with the.	A. Opening balance B. Ending balance C. Beginning or ending balance D. None of these
6	Credit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
7	The amount paid to a person who was invited to deliver a lecture in a club is known as.	A. Honorarium B. Salary C. Wages D. None of these
8	An income and expenditure account is.	A. Normal account B. Real account C. Personal account D. None of these
9	A person who is elected to run the club	A. Treasurer B. Secretary C. Chairperson D. President
10	Receipt and payment account is prepared at the.	A. Start of the year B. End of the year C. Mid of the financial year D. None of these
11	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
12	Excess of assets over liabilities is an indication of.	A. Solvency B. Insolvency C. Deficiency D. Loss
13	All transactions relating to non-profit seeking concerns are recorded in the books of account strictly according to	A. Single entry system B. Double entry system C. Treble entry system D. "a" and "b"
14	Capital fund of non-trading concern is equal to.	A. Assets + Income B. Assets + Liabilities C. Expenditure + Liabilities D. Assets - Liabilities
15	Non-profit seeking organization's income and expenditure account performs the same function as profit seeking organization's	A. Trading and profit and loss account B. Balance sheet C. Bank account D. None of the above

D. Petty cash book

16 Subscription outstanding in the beginning are shown in the

A. Trading account
B. Income and expenditure account
C. Balance sheet
D. Profit and loss account

17 Receipt and payment account includes.

A. Revenue items
B. Capital items
C. Both capital and Revenue items
D. None of the above

18 The basic club record or book of original entry in non-profit making organization

A. Purchase book
B. Sales book
C. Cash book
D. "a" and "b"

19 Income and expenditure account is equivalent to the.

A. Receipt and payment account
B. Balance sheet
C. Cash book
D. Profit and loss account

20 Income and expenditure account shows

A. Cash in hand
B. Surplus or deficit
C. Cash at bank
D. Capital account
