

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

Sr	Questions	Answers Choice
1	Capital is obtained by deductin liabilities from.	A. Expenditures B. Receipt C. Assets D. Incomes
2	The excess of total assets over total liabilities of a concern is called.	A. Surplus B. Deficit C. Capital fund D. Profit
3	Excess of assets over liabilities is an indication of.	A. Solvency B. Insolvency C. Deficiency D. Loss
4	Income and expenditure account is equivalent to the.	A. Receipt and payment account B. Balance sheet C. Cash book D. Profit and loss account
5	Receipt and payment account includes.	A. Revenue items B. Capital items C. Both capital and Revenue items D. None of the above
6	Subscription Received in advance is.	A. An income B. An assets C. Liability D. An expenditure
7	In receipt and payments account	A. No narration is written B. No ledger reference is recorded C. Daily cash balance cannot be ascertained D. All of the above
8	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
9	Non-profit seeking organization 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. Petty cash book
10	Debit side of income and expenditur eaccount records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
11	Capital fun of non trading concern is equal to.	A. Assets + Income B. Assets + Liabilities C. Expenditure + Liabilities. D. Assets - Liabilities
12	Donation receivedin heavy amount are treated as.	A. Revenue B. Capitaized C. Liability D. Assets
13	In cash book	A. Each entry is followed by narration B. Ledger reference is recorded C. Each transaction is recorded in chronological order D. All of the above
14	Receipts and payments accounts records transaction relating to.	A. Current year B. Past year C. future year D. All of the above
		A. Income and expenditure account

15	In non-profit making organization final accounts contains	<p>and balance sheet</p> <p>B. Receipts and payments account and balance sheet</p> <p>C. Receipts and payments account and statement of affairs</p> <p>D. Profit and loss account and balance sheet</p>
16	Admission fee income should be.	<p>A. Treated as income</p> <p>B. Capitalized</p> <p>C. Proportionate to revenue and capitalized</p> <p>D. None of these</p>
17	Credit side of income and expenditure account records.	<p>A. Expenses and losses</p> <p>B. Income and gains</p> <p>C. Assets</p> <p>D. Liabilities</p>
18	Receipt and payment account starts with the.	<p>A. Opening balance</p> <p>B. Ending balance</p> <p>C. Beginning or ending balance</p> <p>D. None of these</p>
19	Income and expenditure account is debited with all.	<p>A. Expenses</p> <p>B. Incomes</p> <p>C. Liabilities</p> <p>D. Assets</p>
20	Receipts and payments account records the transactions of	<p>A. Revenue nature</p> <p>B. Capital nature</p> <p>C. Revenue and capital nature</p> <p>D. None of these</p>