

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

Sr	Questions	Answers Choice
1	It is prepared by non-profit making organizations to determine surplus or deficit	A. Trading account B. Profit and loss account C. Receipts and payments account D. Income and expenditure account
2	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
3	Receipts and payments account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
4	the activities of non -trading concern are managed by the.	A. Directors B. Member C. governing body D. Promoters
5	The difference of the two sides of receipt and payment account represents.	A. Opening cash balance B. Closing cash or bank balance C. Opening bank balance D. None of these
6	Non-profit seeking organizations prepare	A. Manufacturing account B. Trading account C. Income and expenditure account D. Profit and loss account
7	Donation received in heavy amount are treated as.	A. Revenue B. Capitalized C. Liability D. Assets
8	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
9	Receipts and payments account shows	A. Debit and credit balances of ledgers B. Incomes and expenditures C. Cash receipts and payments D. Assets and liabilities
10	Income and expenditure account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
11	Non- trading concern prepare.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of these
12	Excess of liabilities over assets is an indication of .	A. Solvency B. Insolvency C. Surplus D. Profit
13	The excess of total assets over total liabilities of a concern is called.	A. Surplus B. Deficit C. Capital fund D. Profit
14	An income and expenditure account is.	A. Normal account B. Real account C. Personal account D. None of these
15	Admission fee income should be.	A. Treated as income B. Capitalized C. Proportionate to revenue and

		capitalized D. None of these
16	The income through admissionfee shoul db.	A. Capitalized B. Treated as revenue C. Treated as liability D. An expenses
17	If the credit side of the income oand expenditur eaccount is greater it is termed as.	A. Deficit B. Surplus C. Asset D. Liability
18	Income and expenditure account is usually accompanied by.	A. Trail balance B. Balance sheet C. Cash book D. None of these
19	Depreciation written off on fixed assets should be recorded in the.	A. Income and expenditure account only B. Receipt and payment account only C. Receipt and payment account and banalce sheet D. Income and expenditure account and balance sheet.
20	Income and expenditure account shows	A. Cash in hand B. Surplus or deficit C. Cash at bank D. Capital account