

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

Sr	Questions	Answers Choice
1	Income and expenditure account shows.	A. Surplus or deficit B. Not profit or net loss C. Capital account D. Cash in hand
2	Excess of assets over liabilities is an indication of.	A. Solvency B. Insolvency C. Deficiency D. Loss
3	Non-profit seeking organizations prepare	A. Manufacturing account     B. Trading account     C. Income and expenditure account     D. Profit and loss account
4	The income through admissionfee shoul dbe.	A. Capitalized B. Treated as revenue C. Treated as liability D. An expenses
5	the activities of non -trading concern are managed by the.	A. Directors B. Member C. governing body D. Promoters
6	The method for preparing the final accounts in trading concerns and non-profit making organizations are	A. Same B. Different C. Easy D. Difficult
7	Accured subscripttion represents.	A. An expense B. An income C. An asset D. A liability.
8	The Receipt and payment account is the summery of the	A. Cash book B. Balance sheet C. Trqail balance D. Proft and loss account
9	Debit side of income and expenditur eaccount records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
10	In income and expenditure account	A. Expense are recorded on debit side B. Revenues are recorded on credit side C. Does not start with any opening balance D. All of the above
11	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
12	The main sources of income of for on -trading concern is.	<ul><li>A. Subscriptions</li><li>B. Donations</li><li>C. Sales</li><li>D. Dividends on investment</li></ul>
13	Receipt and payment account starts with the.	<ul><li>A. Opening balance</li><li>B. Ending balance</li><li>C. Beginning or ending balance</li><li>D. None of these</li></ul>
14	Income and expenditure account shows	A. Cash in hand     B. Surplus or deficit     C. Cash at bank     D. Capital account

15	A receipts and payments account is similar to	A. An income and expenditure     B. A statement of affair     C. A cash or a bank account     D. A profit or loss account
16	Receipt and payment account is prepared at the.	<ul><li>A. Start of the year</li><li>B. End of the year</li><li>C. Mid of the financeial year</li><li>D. None of these</li></ul>
17	Lagacies are generally treated as.	A. Income B. Capitalized C. Assets D. Liability
18	Donation receivedin heavy amount are treated as.	A. Revenue B. Capitaized C. Liability D. Assets
19	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
20	Income and expenditur eaccount is prepared on.	A. Cash basis B. Accrual basis C. Cahs of accural basis D. None of these