

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

Sr	Questions	Answers Choice
1	Debit side of income and expenditure account records.	A. Expenses and losses B. Income and gains C. Assets D. Liabilities
2	Non-trading concern prepare.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of these
3	The method for preparing the final accounts in trading concerns and non-profit making organizations are	A. Same B. Different C. Easy D. Difficult
4	Excess of liabilities over assets is an indication of .	A. Solvency B. Insolvency C. Surplus D. Profit
5	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
6	Admission fee income should be.	A. Treated as income B. Capitalized C. Proportionate to revenue and capitalized D. None of these
7	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
8	The main sources of income of for non-trading concern is.	A. Subscriptions B. Donations C. Sales D. Dividends on investment
9	Income and expenditure account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of these
10	Income and expenditure account shows.	A. Surplus or deficit B. Not profit or net loss C. Capital account D. Cash in hand
11	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
12	Income and expenditure account is usually accompanied by.	A. Trial balance B. Balance sheet C. Income and gains D. Liabilities
13	Receipts and payments account records transaction relating to	A. Past year B. Future year C. Present year D. All of the above
14	Receipt and payment account starts with the.	A. Opening balance B. Ending balance C. Beginning or ending balance D. None of these
15	Receipts and payments account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature

		D. None of these
16	In non-profit making organization final accounts contains	A. Income and expenditure account and balance sheet B. Receipts and payments account and balance sheet C. Receipts and payments account and statement of affairs D. Profit and loss account and balance sheet
17	Purchase of sports material for the club should be treated as.	A. Expense B. Assets C. Income D. Liability
18	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
19	Donation received in heavy amount are treated as.	A. Revenue B. Capitalized C. Liability D. Assets
20	Surplus balance can be shown in the balance sheet as.	A. Asset B. Liability C. Owner's equity D. None of these