

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

| Sr | Questions   | Answers Choice   |
|----|---|--|
| 1  | The excess of total assets over total liabilities of a concern is called.                   | A. Surplus<br>B. Deficit<br>C. Capital fund<br>D. Profit   |
| 2  | Non- trading concern prepare.   | A. Profit and loss account<br>B. Income and expenditure account<br>C. Manufacturing account<br>D. None of these  |
| 3  | Capital fund of non trading concern is equal to.  | A. Assets + Income<br>B. Assets + Liabilities<br>C. Expenditure + Liabilities.<br>D. Assets - Liabilities  |
| 4  | Income and expenditure account is usually accompanied by.                                   | A. Trail balance<br>B. Balance sheet<br>C. Income and gains<br>D. Liabilities  |
| 5  | It is prepared by non-profit making organizations to determine surplus or deficit           | A. Trading account<br>B. Profit and loss account<br>C. Receipts and payments account<br>D. Income and expenditure account  |
| 6  | Income and expenditure account is debited with all.   | A. Expenses<br>B. Incomes<br>C. Liabilities<br>D. Assets   |
| 7  | If the debit side of the receipt and payment account exceeds the credit side it represents. | A. Bank over draft<br>B. Cash at bank<br>C. Surplus balance<br>D. Deficit balance  |
| 8  | Income and expenditure account records the transactions of                                  | A. Revenue nature<br>B. Capital nature<br>C. Revenue and capital nature<br>D. None of these  |
| 9  | Income and expenditure account shows.   | A. Surplus or deficit<br>B. Not profit or net loss<br>C. Capital account<br>D. Cash in hand  |
| 10 | Subscription outstanding in the beginning are shown in the                                  | A. Trading account<br>B. Income and expenditure account<br>C. Balance sheet<br>D. Profit and loss account  |
| 11 | Purchase of sports material for the club should be treated as.                              | A. Expense<br>B. Assets<br>C. Income<br>D. Liability   |
| 12 | In receipt and payments account   | A. No narration is written<br>B. No ledger reference is recorded<br>C. Daily cash balance cannot be ascertained<br>D. All of the above   |
| 13 | In non-profit making organization final accounts contains                                   | A. Income and expenditure account and balance sheet<br>B. Receipts and payments account and balance sheet<br>C. Receipts and payments account and statement of affairs<br>D. Profit and loss account and balance sheet |
| 14 | Receipts and payments account shows   | A. Debit and credit balances of ledgers<br>B. Incomes and expenditures<br>C. Cash receipts and payments<br>D. None of these  |

|    |   | D. Assets and liabilities   |
|----|---|---|
| 15 | Income and expenditure account shows  | A. Cash in hand<br>B. Surplus or deficit<br>C. Cash at bank<br>D. Capital account                 |
| 16 | Capital is obtained by deductin liabilities from.   | A. Expenditures<br>B. Receipt<br>C. Assets<br>D. Incomes  |
| 17 | Receipt and payment account includes.   | A. Revenue items<br>B. Capital items<br>C. Both capital and Revenue items<br>D. None of the above |
| 18 | Income and expenditure account is equivalent to the.  | A. Receipt and payment account<br>B. Balance sheet<br>C. Cash book<br>D. Profit and loss account  |
| 19 | All transactions relating to non-profit seeking concerns are recorded in the books of account strictly according to | A. Single entry system<br>B. Double entry system<br>C. Treble entry system<br>D. "a" and "b"      |
| 20 | The basic club record or book of original entry in non-profit making organization                                   | A. Purchase book<br>B. Sales book<br>C. Cash book<br>D. "a" and "b"                               |