

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

Sr	Questions	Answers Choice
1	Income and expenditure account records the transactions of	A. Revenue nature B. Capital nature C. Revenue and capital nature D. None of the these
2	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
3	Non-profit making organizations are established for	A. Profit B. Charitable or religious purpose C. To manufacture goods D. To help the rich people
4	At the end of the year non trading institutions prepare.	A. Profit and loss account B. Income and expenditure account C. Manufacturing account D. None of the above
5	If the debit side of the receipt and payment account exceeds the credit side it represents.	A. Bank over draft B. Cash at bank C. Surplus balance D. Deficit balance
6	The basic club record or book of original entry in non-profit making organization	A. Purchase book B. Sales book C. Cash book D. "a" and "b"
7	The income and expenditure account performs the same function as.	A. Trading and profit and loss account B. Manufacturing account C. Balance sheet D. None of these
8	Receipt and payment account includes.	A. Revenue items B. Capital items C. Both capital and Revenue items D. None of the above
9	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 balance sheet D. Income and expenditure account and balance sheet.
10	The income and expenditure account begins with.	A. Opening debit balance B. Opening credit balance C. Opening balance D. None of these
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	Income and expenditure account is prepared at the	A. Start of the year B. Mid of the year C. End of the year D. At the start and end of the year
13	Capital fund of non trading concern is equal to.	A. Assets + Income B. Assets + Liabilities C. Expenditure + Liabilities D. Assets - Liabilities
14	Amount received by the way of gift from any person or organization is called.	A. Donation B. Subscription C. Legacy

		D. None of these
15	Income and expenditure account shows	A. Cash in hand B. Surplus or deficit C. Cash at bank D. Capital account
16	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
17	Non-profit making organizations	A. Buy goods B. Manufacture goods C. Sell goods D. None of these
18	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
19	All transactions relating to non-profit seeking concerns are recorded in the books of account strictly according to	A. Single entry system B. Double entry system C. Treble entry system D. "a" and "b"
20	Amount received by the concern as per the will of the donor is known as.	A. Legacy B. Donation C. Subscription D. None of these