**Chapter 9: Social Accounting and Third Sector Organisations**

**Multiple Choice Questions**

1. Which of the following is *not* a third sector organization?
2. Business corporations.
3. Charities.
4. Philanthropic foundations.
5. Community groups.
6. Which of the following best defines a third sector organization?
7. A third sector organization is a profit-seeking organization.
8. The prime objective of a third sector organization is that of increasing shareholders wealth.
9. A third sector organization is a self-regulated organization, pursuing social objectives.
10. A third sector organization is a self-regulated organization, solely dependent on voluntary contribution.
11. Which of the following financial statements is *not* incorporated in the statement-of-accounts for a third sector organization?
12. Notes to the accounts.
13. Balance sheet.
14. Cash-flow statement.
15. Statement of shareholders’ equity.
16. Which of the following expenditures is *not* an overhead expenditure?
17. Spending resources on community and civil objectives.
18. Spending resources on fundraising.
19. Investing on accounting, operating and governance systems.
20. Reimbursing executive management.
21. Governance in charities and nonprofit organizations is characterized by:
22. Having shareholder accountability mechanisms.
23. Having contemporary accounting systems.
24. Having professional Management.
25. Having multiple and complex objectives.
26. The use of financial performance indicators for evaluating TSOs results in:
27. Less fraud.
28. Underinvestment and lower operating standards.
29. More transparency in the management of TSOs.
30. Greater accountability to local communities and beneficiaries.
31. Which of the following is true?
32. There is no black hole of accountability in TSOs.
33. TSOs have been able to eradicate poverty in indigent communities.
34. TSOs have not criticized for corruption and high administrative cost
35. All the above.
36. What undermines the activities of TSOs?
37. Funding to donors and foundations.
38. Support from beneficiaries.
39. Accountability to stakeholders.
40. Government regulations of TSOs.
41. Which of the following statement is not true about accountabilities in TSOs?
42. To measure their effectiveness and their motives.
43. To expose their sources of finance to the public.
44. To improve their visibilities to all stakeholders.
45. To enable donors to exert significant financial and governance control on TSOs.
46. The one of the following statement is not true
47. NGOs are regulated to promote their humanitarian activities
48. NGOs are regulated to improve their accountability to their donors
49. NGOs are regulated to improve their engagement with their beneficiaries and partners
50. NGOs are regulated to estimate their taxes.