

Principles of accounting Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	Gross profit equals to	A. Net profit minus expenses B. Sales minus closing stock C. Purchases minus closing stock D. Sales minus cost of goods sold
2	It is prepaid to determine the gross profit or gross loss	A. Trading account B. Profit or loss account C. Balance sheet D. None of these
3	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
4	Stock is trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
5	Net sales are equal to sales minus	A. Returns inwards B. Returns outwards C. Cost of goods sold D. carriage on sales
6	Profit or loss appropriation account is not prepared in the case of	A. Partnership B. Joint stock company C. Sole tradership D. Partnership at will
7	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets
8	Assets which have no market value are called	A. Wasting assets B. Fictitious assets C. Intangible assets D. Tangible assets
9	Position statement is similar to a	A. Trial balance B. Balance sheet C. Financial statement D. Bank reconciliation statement
10	Excise duty is a	A. Direct revenue B. Indirect revenue C. Direct expense D. Indirect expense
11	Cash of sales is equal to	A. Sales - purchases B. Purchases - return + closing stock C. Opening stock + Purchases (Net) - Closing stock D. Sales + Opening stock - (Purchases + Closing stock)
12	Net profit is equal to	A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses
13	It is prepared to determine the net profit or net loss	A. Trading account B. Profit or loss account C. Cash book D. Balance sheet
14	Debts which are repayable in the course of less than one year bur more than one month are called	A. Quick liabilities B. Deferred liabilities C. Contingent liabilities D. Liquid liabilities
15	If the gross profit is Rs. 5000 and the net profit is 35% of the gross profit then the expenses must be	A. 3250 B. 1250 C. 3750 D.

16	The price of goods sold or services rendered to the customers is called	A. Sale B. Profit C. Expense D. Revenue
17	The valuation of closing stock is at	A. Cost price B. Market price C. Cost or market price whichever is lower D. Cost or market price whichever is higher
18	Which of the following discloses the financial position of the business	A. Trading account B. Profit or loss account C. Profit or loss appropriation account D. Balance sheet
19	An operating statement is similar to a	A. Balance sheet B. bank reconciliation statement C. Financial statement D. Profit or loss statement
20	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
