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	Which account is a summary of direct expenses and direct revenues	A. Trading and profit or loss account B. Profit or loss account C. Balance sheet D. Trading account
3	The price of goods sold or services rendered to the customers is called	A. Sale B. Profit C. Expense D. Revenue
4	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
5	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
6	An operating statement is similar to a	A. Balance sheet B. bank reconciliation statement C. Financial statement D. Profit or loss statement
7	If sales are Rs. 12000 Gross profit is 10% of sales and net profit is 5% of sales then the expenses will be	A. 1200 B. 600 C. 1800 D. 2400
8	Assets which have no market value are called	A. Wasting assets B. Fictitious assets C. Intangible assets D. Tangible assets
9	A balance sheet is a	A. Statement of income and expenditure B. Statement of debtors and creditors C. Financial statement of a business on a particular date D. Statement of profit earned by a busniess
10	Expenses related to sale of goods are shown in	A. Trading account B. Profit or loss account C. Balance sheet D. Sales account
11	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. 1750
12	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
13	Net profit is equal to	A. Gross profit - expenses B. Sales - Cost of goods sold C. Sales - expenses D. Capital - expenses
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	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)
16	Assets which have no physical existence are called	A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets
17	Net profit plus expenses is equal to	A. purchases B. Cost of goods sold C. Capital D. Gross profit
18	Stock is trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
19	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
20	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets