

Principles of accounting Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Debts which are repayable in the course of less than one year but more than one month are called	A. Quick liabilities B. Deferred liabilities C. Contingent liabilities D. Liquid liabilities
2	Goodwill, patent, copyright and trade mark are	A. Wasting assets B. Intangible assets C. Fictitious assets D. Liquid assets
3	Net sales are equal to sales minus	A. Returns inwards B. Returns outwards C. Cost of goods sold D. Carriage on sales
4	Assets which have no market value are called	A. Wasting assets B. Fictitious assets C. Intangible assets D. Tangible assets
5	Stock in trade is a	A. Current asset B. Non-current asset C. Quick asset D. Intangible asset
6	An operating statement is similar to a	A. Balance sheet B. Bank reconciliation statement C. Financial statement D. Profit or loss statement
7	Assets which have no physical existence are called	A. Tangible assets B. Fictitious assets C. Liquid assets D. Intangible assets
8	Drawings are deducted from	A. Sales B. Income C. Capital D. Expenses
9	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
10	Position statement is similar to a	A. Trial balance B. Balance sheet C. Financial statement D. Bank reconciliation statement
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	Net profit plus expenses is equal to	A. Purchases B. Cost of goods sold C. Capital D. Gross profit
13	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
14	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
15	Excise duty is a	A. Direct revenue B. Indirect revenue

C. Direct expense
D. Indirect expense