



St. Lawrence High School



A Jesuit Christian Minority Institution

Answer Key 40

Sub: ACCOUNTANCY

Class 11

F.M. 15

Chapter: Unit 7: Financial Statements

Date: 16/01/2021

Topic: Final Accounts 1

Choose the correct alternatives

1 x 15 = 15

1. Which one of the following is known as financial statement?
(a) trading a/c; (b) profit & loss a/c; (c) balance sheet; **(d) all of these**
2. Gross Profit can be ascertained in
(a) trading a/c; (b) profit & loss a/c; (c) balance sheet; (d) all of these
3. Net Profit can be ascertained in
(a) trading a/c; **(b) profit & loss a/c;** (c) balance sheet; (d) all of these
4. Wages is an item of
(a) trading a/c; (b) profit & loss a/c; (c) balance sheet; (d) all of these
5. Salaries is an item of
(a) trading a/c; **(b) profit & loss a/c;** (c) balance sheet; (d) all of these
6. Royalty on production is an example of
(a) direct expenses; (b) indirect expenses; (c) indirect income; (d) all of these
7. Net Sales means
(a) sales minus sales return; (b) sales plus sales return; (c) sales minus purchases; (d) none of these
8. Net Purchases means
(a) sales minus purchases; **(b) purchases minus purchase return;**
(c) purchases plus purchase return; (d) none of these
9. If sales is Rs. 2,00,000, closing stock is Rs. 50,000, opening stock is Rs. 1,00,000 and purchases is Rs. 1,10,000, gross profit is
(a) Rs. 30,000; **(b) Rs. 40,000;** (c) Rs. 1,00,000; (d) none of these
10. Which one of the following appears in trading account?
(a) carriage inward; (b) carriage outward; (c) both (a) & (b); (d) none of these
11. Trade Expenses appears in
(a) trading a/c; **(b) profit & loss a/c;** (c) balance sheet; (d) all of these
12. Electric and water charges appears in
(a) trading a/c; (b) profit & loss a/c; (c) balance sheet; **(d) either trading or profit & loss account**
13. Result of Trading Account transfers to
(a) balance sheet; **(b) profit & loss a/c;** (c) both (a) & (b); (d) none of these
14. Result of Profit & Loss Account transfers to
(a) trading a/c; **(b) balance sheet;** (c) both (a) & (b); (d) none of these

15. Financial Statements are prepared to ascertain

(a) profits & losses; (b) positions of assets & liabilities; (c) financial position; **(d) all of these**

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