

Principles of Accounting Icom Part 2 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex installment method C. Annuity method D. Depreciation fund method
2	The amount of assets may rise of fell on account of.	A. Depreciation B. Fluctuation C. Depletion D. Amortization
3	Depreciation under diminishing balance method ont he cost price of the fixex asset of Rs. 50.000 after two year @10% will be	A. RS. 5,000 B. Rs. 4050 C. Rs.4500 D. Rs. 40,000
4	The objective of charging depreciation on fixed assets is.	A. Calculate the true net profit B. To provide funds for the replacement C. To redue the tax libility D. All of the above
5	The process of writing of intengible assets patent right, good will etc is called.	A. Depreciation B. Fluctuaton C. Amorization D. depletion
6	Under the diminishing balance method the depreciationis calculated on .	A. Book value B. Original value C. Residual value D. None of these
7	The assets which have not got physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets
8	Depreciation caused by some external amoutn of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
9	Which of the following method is suitable for charging depreciation an machinery and furniture.	A. Straight line method B. Diminishing balance method C. Depreciation on fixed method D. Annuity method
10	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Auunity method C. Diminishing balance method D. Straiight line method
11	The method is specially suited to natural surces is said to be	A. Annuity method B. Depletion method C. Revalution method D. Sum of digit method
12	Interest is debited to assets account uder the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
13	Under aunuity method, the annual charger for depreciation wil be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
14	The value of an asset at the end of the working life is called.	A. Book value B. Scrape value C. Market value D. None of these
15	Depreciation is charged at fixex rate on the reducing balance, under the.	A. Written - down value method B. Annuity method C. Sinking fund method

		D. Depletion method
16	The depreciation charged to motor car account will be debited to.	A. Depreciation account B. Motor car account C. Cash account D. None of these
17	Depreciation is	A. An Income B. An expense C. A loss D. A liability
18	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixex assets
19	Under annuity method the amount of depreciation is.	A. Increasing every year B. Decreasing every year C. Fixed for all the year D. None of these
20	the term depreciationis used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets