

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

Sr	Questions	Answers Choice
1	Under diminhing balance method, depreciationis calculated on.	A. The original cost B. The scrape value C. Book value D. All of the above
2	Interest is debited to assets account uder the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
3	Under the straight line method of charging depreciation, the amount of deperciation .	A. Decrease every year B. Increase every year C. <div>Remain constant every year</div> D. None of the above
4	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
5	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixex assets
6	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Auunity method C. Diminishing balance method D. Straight line method
7	The method is specially suited to natural surces is said to be	A. Annuity method B. Depletion method C. Revaluation method D. Sum of digit method
8	The amount of assets may rise of fell on account of.	A. Depreciation B. Fluctuation C. Depletion D. Amortization
9	Which of the following term is used for the depreciation of wasting assets such as timber tree, mines, oil wells etc.	A. Depreciation B. Depletion C. Amortization D. None of these
10	The assets which have not got physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets
11	Depreciation caused by some external amoun of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
12	Depreciation is	A. An Income B. An expense C. A loss D. A liability
13	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex instalment method C. Annuity method D. Depreciation fund method
14	The asses which have physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Tangible fixed assets D. Both tangible or intangible assets
15	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

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- 16 Under the diminishing balance method the depreciation is calculated on .
- A. Book value
  - B. Original value
  - C. Residual value
  - D. None of these
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- 17 Depreciation is charged on.
- A. Fixed tangible assets only
  - B. Fixed intangible assets only
  - C. Current assets only
  - D. None of these
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- 18 the term depreciation is used with reference to.
- A. Tangible assets
  - B. Intangible assets
  - C. Current assets
  - D. Fixed assets
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- 19 Another name of diminishing balance method of depreciation is the
- A. Reducing balance method
  - B. Sinking fund method
  - C. Straight line method
  - D. Revaluation method
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- 20 Under annuity method, the annual charge for depreciation will be debited to.
- A. Assets account
  - B. Depreciation account
  - C. Interest account
  - D. None of these
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