

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

Sr	Questions	Answers Choice
1	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
2	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
3	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
4	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
5	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Auunity method C. Diminishing balance method D. Straight line method
6	Under the diminishing balance method the depreciationis calculated on .	A. Book value B. Original value C. Residual value D. None of these
7	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
8	Depreciation caused by some external amoun of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
9	Interest is debited to assets account uder the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
10	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixex assets
11	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
12	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
13	Depreciation fund method is also known as.	A. Sinking fund method B. Annuity method C. Sum- of year's digit method D. None of these
14	the term depreciationis used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixed assets
15	The gradual decrease in the value of the fixex assets due to its use in the business is called.	A. Depreciation B. Depletion C. Amorzation D. None of these

D. Fluctuation

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| 16 | Depreciation is charged on. | A. Fixed tangible assets only
B. Fixex intangible assets only
C. Current assets only
D. None of these |
| 17 | Under which method the book value of the fixed assets acn be reduce to zero after certain year | A. Diminishing balance method
B. Straght line method
C. Depreciation find fond
D. Deflation method |
| 18 | The assets which have not got physical existence are called. | A. Intangible assets
B. Intangible fixed assets
C. Current assets
D. Tangible fixed assets |
| 19 | Depreciation is | A. An Income
B. An expense
C. A loss
D. A liability |
| 20 | 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 |
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