

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

Sr	Questions	Answers Choice
1	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
2	Under diminhing balance method, depreciationis calculated on.	A. The original cost B. The scrape value C. Book value D. All of the above
3	To make provision for the replacement of the assets. the method is to be ysed is.	A. Written down value method B. Annuity method C. Sinking fund method D. Insurance policy method
4	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
5	Another name of diminishing balance method of depreciation is the	A. Reducing balance method B. Sinking fund method C. Straight line mehod D. Revaluation method
6	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
7	Depreciation is charged on.	A. Fixed tangible assets only B. Fixex intangible assets only C. Current assets only D. None of these
8	The amount of assets may rise of fell on account of.	<ul><li>A. Depreciation</li><li>B. Fluctuation</li><li>C. Depletion</li><li>D. Amortization</li></ul>
9	The amount charged as depreciation goes on declining in	A. Depletion fund method     B. Auunity method     C. Diminishing balance method     D. Straiight line method
10	Under the diminishing balance method the depreciationis calculated on .	A. Book value B. Original value C. Residual value D. None of these
11	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
12	Which of the following term is used for the depreciation of wasting assets such as timber tree, mines, oil wells etc.	<ul><li>A. Depreciation</li><li>B. Depletion</li><li>C. Amortization</li><li>D. None of these</li></ul>
13	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
14	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex installment method C. Annuity method D. Depreciation fund method
15	the term depreciationis used with reference to.	A. Tangible assets B. Intangible asets C. Current assets

		D. Fixed assets
16	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
17	The assets which have not got physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets
18	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
19	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
20	The term Depletion is used with reference to.	A. Tangible assets B. Intangible assets C. Current assets D. Fixex assets