

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	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
3	Interest is debited to assets account uder the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
4	Depreciation caused by some external amoutn of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
5	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
6	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Auunity method C. Diminishing balance method D. Straiight line method
7	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
8	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
9	Under the diminishing balance method the depreciationis calculated on .	A. Book value B. Original value C. Residual value D. None of these
10	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
11	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
12	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
13	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex instaliment method C. Annuity method D. Depreciation fund method
14	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
15	The process of writing of intengible assets patent right, good will etc is called.	A. Depreciation B. Fluctuaton C. Amorization

		D. depletion
16	The assets which have not got physical existence are called.	A. Intangible assets B. Intangible fixed assets C. Current assets D. Tangible fixed assets
17	The amount of assets may rise of fell on account of.	A. DepreciationB. FluctuationC. DepletionD. Amortization
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	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
20	Depreciation is	A. An Income B. An expense C. A loss D. A liability