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	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
3	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
4	The amount charged as depreciation goes on declining in	A. Depletion fund method B. Auunity method C. Diminishing balance method D. Straiight line method
5	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
6	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
7	Under the diminishing balance method the depreciationis calculated on .	A. Book value B. Original value C. Residual value D. None of these
8	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
9	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
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 amoutn of anual depreciation gradully.	A. Increase B. Decrease C. Remain constant D. None of these
12	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
13	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
14	Depreciation is charged on.	A. Fixed tangible assets only B. Fixex intangible assets only C. Current assets only D. None of these
15	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex instaliment method C. Annuity method

		D. Depreciation fund method
16	Interest is debited to assets account uder the.	A. Annuity method B. Depreciation fund method C. Insurance policy method D. Depletion method
17	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
18	Depreciation is	A. An Income B. An expense C. A loss D. A liability
19	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
20	the term depreciationis used with reference to.	A. Tangible assets B. Intangible asets C. Current assets D. Fixed assets