

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

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

