

Principles of Accounting Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Under annuity method, the annual charger for depreciation will be debited to.	A. Assets account B. Depreciation account C. Interest account D. None of these
2	The amount charged to depreciation goes on declining in.	A. Diminishing balance method B. Fixex instalment method C. Annuity method D. Depreciation fund method
3	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
4	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
5	Under diminhing balance method, depreciationis calculated on.	A. The original cost B. The scrape value C. Book value D. All of the above
6	Depreciation is	A. An Income B. An expense C. A loss D. A liability
7	The amount of assets may rise of fell on account of.	A. Depreciation B. Fluctuation C. Depletion D. Amortization
8	The process of writing of intengible assets patent right, good will etc is called.	A. Depreciation B. Fluctuaton C. Amorization D. depletion
9	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
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	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
12	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
13	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
14	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
15	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 these

