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Self-Made Assignment - Advance Accounting

Goodwill

Solve this MCQ Questions

1. What type of asset is goodwill?
  - A. Tangible
  - B. Intangible
  - C. Fixed
  - D. Current
2. Can goodwill be seen or touched?
  - A. Yes
  - B. No
3. What does goodwill represent?
  - A. Furniture
  - B. Extra value of a business
  - C. Cash in hand
  - D. Stock
4. Goodwill helps a business earn:
  - A. Less profit
  - B. Equal profit
  - C. Super profit
  - D. No profit
5. Which of the following is similar to goodwill?
  - A. Building
  - B. Furniture
  - C. Trademark
  - D. Inventory
6. Goodwill is valuable only when:
  - A. Machinery is sold
  - B. Only part of the business is sold
  - C. Entire business is sold
  - D. Office is shifted
7. Goodwill value can:
  - A. Never change
  - B. Always increase
  - C. Fluctuate
  - D. Stay constant
8. One of the causes for high goodwill is:
  - A. Poor service



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- B. Loyal customers  
C. Low quality products  
D. Bad reputation

9. Goodwill is earned by:  
A. Dishonesty  
B. Theft  
C. Hard work and honesty  
D. Luck
10. A business in a good location will have:  
A. Less goodwill  
B. More goodwill  
C. No goodwill  
D. Negative goodwill
11. Older businesses usually have:  
A. Less goodwill  
B. No goodwill  
C. More goodwill  
D. Unknown goodwill
12. Which of these increases goodwill?  
A. High-quality products  
B. Damaged goods  
C. Poor service  
D. Late deliveries
13. Goodwill can be sold separately only when:  
A. Building is sold  
B. Partner retires or joins  
C. Cash is withdrawn  
D. Business gets a loan
14. Monopoly rights help in creating:  
A. Competition  
B. Loss  
C. Goodwill  
D. Debt
15. Goodwill is present when a firm earns:  
A. Normal profits  
B. Loss

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Goodwill

- 
- C. Super profits
  - D. No income

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