



INDIAN SCHOOL MUSCAT
Senior Section
Department of Commerce and Humanities

Class : XII

Worksheet-No 2 :

Reference:

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CH -2: MCQs ON PARTNERSHIP- FUNDAMENTAL

Date of issue :
December 2020

ACCOUNTANCY (055)

Date of submission
-----2020

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Time allowed: 10 minutes

- 1 **Interest on Capital is allowed on**
 - (a) The opening capital
 - (b) the capital at the year end
 - (c) Average capital of the year
 - (d) The capital in the middle of the year

- 2 **Current Account of partners are maintained if**
 - (a) Capitals are fluctuating
 - (b) Capitals are fixed
 - (c) Whether capitals are fixed or fluctuating
 - (d) As is decided by the partners

- 3 **In case of fixed capitals, partners will have**
 - (a) Credit balance in their Capital Accounts
 - (b) Debit balance in their Capital Accounts
 - (c) May have credit or debit balance in their Capital Accounts
 - (d) Credit balance or nil balance in their Capital Accounts

- 4 **The liability of partners in a partnership firm under Indian Partnership Act, 1932 is:**
 - (a) Limited
 - (b) Unlimited
 - (c) No Liability
 - (d) Depending on the situation

- 5 **Which of the following items will not be shown in Profit & Loss Appropriation Account?**
 - (a) Interest on Capital
 - (b) Interest on Drawings
 - (c) Commission to a partner
 - (d) Interest on Partner's Loan

- 6 In the absence of Partnership Agreement, Interest on Drawings of a partner is charged
 (a) @ 8% p.a.
 (b) @ 9% p.a.
 (c) @ 12% p.a.
 (d) No interest is charged
- 7 Relationship between the partners is of
 (a) Close Relatives
 (b) Agent and Principal
 (c) Junior-Senior Relationship
 (d) Senior-Subordinate Relationship
- 8 Current Account of a partner
 (a) Will always have a credit balance
 (b) Will always have a debit balance
 (c) May have a debit balance or a credit balance
 (d) Can never have a debit balance
- 9 Interest payable on capitals of the partners is charged to
 (a) Profit and Loss Account
 (b) Profit and Loss Adjustment Account
 (c) Realisation Account
 (d) Profit and Loss Appropriation Account
- 10 In the absence of an agreement to the contrary, the partners are:
 (a) Entitled to 6% interest on their capitals, only when there are profits
 (b) Entitled to 9% interest on their capitals, only when there are profits
 (c) Entitled to interest on their capitals at the bank rate, only when there are profits
 (d) Not entitled to any interest on their capitals.

PLEASE PRACTICE AND THAN CHECK ANSWER

ANSWERS :-

Marks Scored :-----/ 10

Q No	Answer	Q No	Answer
1	A	6	D
2	B	7	B
3	A	8	C
4	B	9	D
5	D	10	D