

## 12TH ACCOUNTS CHAPTER 1A : INTRODUCTION TO PARTNERSHIP

## QUESTIONS

## SECTIONS

## 1. SECTION A - 25 Questions

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1 When there is no partnership agreement between partners, the divisions of profits take place in \_\_\_\_\_ ratio.

- ☐ Equal
- ☐ Capital ratio
- ☐ Initial contribution
- ☐ Experience and tenure of partners

Correct: +1

2 To find out net profit or loss of the business \_\_\_\_\_ account is prepared.

- ☐ Trading
- ☐ Capital
- ☐ Current
- ☐ Profit & Loss

Correct: +1

3 A \_\_\_\_\_ is an Intangible Asset.

- ☐ Goodwill
- ☐ Stock
- ☐ Cash
- ☐ Furniture

Correct: +1

4 In the absence of an agreement, interest on loan advanced by the partner to the firm is allowed at the rate of \_\_\_\_\_

- ☐ 5%
- ☐ 6%
- ☐ 10%
- ☐ 9%

Correct: +1

5 Liability of partner in a partnership business is \_\_\_\_\_.

- ☐ Limited
- ☐ Unlimited
- ☐ Limited and Unlimited
- ☐ None of the above

Correct: +1

6 The Indian Partnership act is force since\_\_\_\_\_

- ☐ 1932
- ☐ 1881
- ☐ 1956
- ☐ 1984

Correct: +1

7 Maximum numbers of partners in a firm are \_\_\_\_\_ according to companies' act 2013.

- ☐ 10
- ☐ 25
- ☐ 20
- ☐ 50

Correct: +1

8 This is a true false question: **Partnership Firm is a Non Trading Concern.**

- ☐ True
- ☐ False

Correct: +1

9 This is a true false question: **Profit and loss Account is a real Account**

- ☐ True
- ☐ False

Correct: +1

10 This is a true false question: **Carriage Inward is carriage on purchase.**

- ☐ True
- ☐ False

Correct: +1

- 11 This is a true false question: **Adjustments are recorded in partner's current in fixed capital method.**
- ☐ True
- ☐ False
- Correct: +1
- 12 This is a true false question: **Prepaid expenses are treated as liabilities.**
- ☐ True
- ☐ False
- Correct: +1
- 13 This is a true false question: **If partnership deed is silent partners share profit and losses in proportion to their capital.**
- ☐ True
- ☐ False
- Correct: +1
- 14 This is a true false question: **Balance sheet is an account.**
- ☐ True
- ☐ False
- Correct: +1
- 15 This is a true false question: **Wages paid for Installation of Machinery is Revenue Expenditure**
- ☐ True
- ☐ False
- Correct: +1
- 16 This is a One Word/Term/Phrase question \_\_\_\_\_ Person who form the partnership firm.
- Correct: +1
- 17 This is One word/Term/Phrase question \_\_\_\_\_ Amount of cash or goods withdrawn by partners from the business from time to time
- Correct: +1
- 18 This is One Word/Term/Phrase question This is a blank **An association of two or more persons according to Indian partnership act 1932.**
- Correct: +1
- 19 This is On Word /Term/Phrase question This is a blank **Act under which partnership firms are regulated.**

Correct: +1

20 This is One Word/Term/Phrase question  This is a blank Process of entering the name of partnership firm in the register of Registrar.

Correct: +1

21 This is a One Word/Term/Phrase question \_\_\_\_\_ Partnership agreement in written form.

Correct: +1

22 This is a One Word/Term/Phrase question \_\_\_\_\_ Under this method capital balances of partners remain constant.

Correct: +1

23 This is a One Word/Term/Phrase question \_\_\_\_\_ Proportion in which partners share profits.

Correct: +1

24 This is a One Word/Term/Phrase question \_\_\_\_\_ Such capital method in which only capital account is maintained for each partner.

Correct: +1

25 This is One Word/Term/Phrase question  This is a blank The account to which all adjustment are made when capital fixed.

Correct: +1

TEST

## 12TH ACCOUNTS CHAPTER 1A : INTRODUCTION TO PARTNERSHIP

### ANSWERS

#### SECTIONS

##### 1. SECTION A - 25 Questions

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- 1 Equal
- 2 Profit & Loss
- 3 Goodwill
- 4 6%
- 5 Unlimited
- 6 1932
- 7 50
- 8 False
- 9 False
- 10 True
- 11 True
- 12 False
- 13 False
- 14 False
- 15 False
- 16 Partner
- 17 Drawings
- 18 Partnership Firm
- 19 Indian partnership
- 20 Registration
- 21 Partnership Deed
- 22 Fixed capital Method
- 23 Profit sharing Ratio
- 24 Fluctuating capital Method
- 25 Current A/c