



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian Minority Institution

Worksheet 2

Sub: Accountancy

Class: XII

Chapter: Unit I: Introduction to Partnership

F.M.: 15

Topic: P/L Appropriation Account

Date: 4/05/2020

Choose the correct alternatives:

1 x 15 =15

1. Profit & Loss Appropriation Account is prepared by
(a) sole proprietorship business; (b) partnership business; (c) joint stock company; (d) HUF.
2. Term 'appropriation' means
(a) charge against profit; (b) distribution or allocation of profit; (c) both (a) and (b); (d) none of these.
3. Preparation of Profit & Loss Account is _____ to a business unit.
(a) compulsory; (b) optional; (c) often compulsory; (d) all of these.
4. Salary Account is debited to
(a) Trading A/c; (b) Profit & Loss A/c; (c) Profit & Loss Appropriation A/c; (d) none of these.
5. Profit & Loss Account is prepared
(a) after Profit & Loss Appropriation Account; (b) after Trading Account; (c) after Balance Sheet; (d) none of these.
6. Net profit is determined in
(a) Trading A/c; (b) Profit & Loss Appropriation A/c; (c) Profit & Loss A/c; (d) Balance Sheet.
7. The transactions that are recorded in the Profit & Loss Appropriation A/c is
(a) transactions between the partners and the firm; (b) transactions between the debtors and the firm; (c) transactions between the creditors and the firm; (d) all transactions.
8. One similarity between Profit & Loss A/c and Profit & Loss Appropriation A/c is
(a) both are revenue accounts; (b) both are capital account; (c) both are prepared before trading account; (d) none of these.
9. Profit & Loss Appropriation A/c is prepared on the basis of
(a) volume of transactions; (b) cash basis; (c) partnership deed; (d) none of these.
10. Matching principle is not followed in
(a) Trading A/c; (b) Profit & Loss A/c; (c) Profit & Loss Appropriation A/c; (d) none of these.
11. Both Profit & Loss A/c and Profit & Loss Appropriation Accounts are
(a) real account; (b) nominal account; (c) personal account; (d) none of these.
12. Profit & Loss Appropriation Account begins with
(a) gross profit; (b) distributable profit; (c) net profit; (d) none of these.
13. Interest on Partners Capital is a
(a) charge against profit; (b) appropriation of profit; (c) item of balance sheet; (d) none of these.
14. Profit & Loss Appropriation A/c is a/an
(a) extension of Profit & Loss A/c; (b) extension of Trading A/c; (c) extension of Balance Sheet; (d) none of these.
15. Transfer to general reserve is
(a) appropriation of profit; (b) charge against profit; (c) enhancement of profit; (d) none of these.

Compiled by
Partha Datta, Asst. Teacher

