



St. Lawrence High School

A Jesuit Christian Minority Institution



Answer Key 11

Sub: Accountancy

Class: XII

Chapter: Unit I: Introduction to Partnership

F.M.: 15

Topic: Past Adjustments 2

Date: 14/05/2020

1. Interest on capital overcharged means
(a) less interest is provided; **(b) more interest is provided;** (c) same interest is provided; (d) none of these.
2. Interest on capital undercharged means
(a) less interest is provided; (b) more interest is provided; (c) same interest is provided; (d) none of these.
3. Under fixed capital method, capital balances of partners
(a) frequently change; **(b) rarely change;** (c) never change; (d) none of these.
4. Interest on capital credited means it credits in
(a) P/L Appropriation A/c; (b) Partners' Capital A/c; (c) Partners' Current A/c; **(d) both (b) and (c).**
5. Under fixed capital method, interest on partners' capital is credited to
(a) P/L Appropriation A/c; (b) Partners' Capital A/c; **(c) Partners' Current A/c;** (d) both (b) and (c).
6. Overcharged amount of interest on partners' capital in the given problem is
(a) ₹12,000; (b) ₹48,000; (c) ₹60,000; (d) none of these.
7. If a partner gets excess amount on account of interest on capital under fixed capital method, then his/her
(a) capital a/c will be debited; (b) capital a/c will be credited; **(c) current a/c will be debited;** (d) current a/c will be credited.
8. In the given problem, 10% interest on capital was charged instead of
(a) 12%; **(b) 8%;** (c) 6%; (d) 4%.
9. Undercharged amount of interest on partners' capital in the given problem is
(a) ₹72,000; (b) ₹54,000; **(c) ₹18,000;** (d) none of these.
10. If capital account is maintained under fluctuating method, then adjustment journal entry is passed through
(a) Partners' Current A/c; **(b) Partners' Capital A/c;** (c) Profit & Loss Appropriation A/c; (d) all of these.
11. In the given problem, current account of Z is debited by
(a) ₹600; (b) ₹400; (c) ₹1,000; (d) none of these.
12. In the given problem, 9% interest on capital was charged instead of
(a) 12%; (b) 8%; (c) 7%; (d) 2%.
13. In the given problem, number of partners is
(a) 2; **(b) 3;** (c) 4; (d) 5.
14. Total capital of the firm in the given problem is
(a) ₹6,00,000; (b) ₹60,000; (c) ₹6,000; (d) none of these.
15. Profit sharing ratio of the given problem is
(a) 5:4:3; (b) 5:3:1; **(c) 5:3:2;** (d) none of these.

Compiled by
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