



ST. LAWRENCE HIGH SCHOOL



A Jesuit Christian Minority Institution

Worksheet 4

Class: XII

Sub: Accountancy

Chapter: Unit I: Introduction to Partnership

F.M.: 15

Topic: Interest on Partners' Drawings

Date: 6/05/2020

Choose the correct alternatives:

1 x 15 =15

1. Drawings by the partners is possible
(a) out of capital (b) against profit (c) both of them (d) none of them
2. In the absence of partnership deed interest on drawings is chargeable at
(a) 6% p.a. (b) 5% p.a. (c) 2.5% p.a. (d) no interest can be charged
3. If the amount of drawings is uniform and time interval between the two drawings is also uniform interest on drawings is chargeable under
(a) product method (b) average period method (c) under both the method (d) none of these
4. If the amount of drawings is not uniform and time interval between the two drawings is not uniform interest on drawings is chargeable under
(a) product method (b) average period method (c) under both the method (d) none of these
5. If the drawings are made at the beginning of every month, interest is charged for
(a) 6.5 months (b) 5.5 months (c) 6 months (d) 2.5 months
6. If the drawings are made at the end of every month, interest is charged for
(a) 6.5 months (b) 5.5 months (c) 6 months (d) 2.5 months
7. If the drawings are made at the middle of every month, interest is charged for
(a) 6.5 months (b) 5.5 months (c) 6 months (d) 2.5 months
8. If the drawings are made at the beginning of each quarter, interest is charged for
(a) 7.5 months (b) 5.5 months (c) 6 months (d) 4.5 months
9. If the drawings are made at the end of each quarter, interest is charged for
(a) 7.5 months (b) 5.5 months (c) 6 months (d) 4.5 months
10. If the drawings are made in the middle of each quarter, interest is charged for
(a) 7.5 months (b) 5.5 months (c) 6 months (d) 4.5 months
11. If drawings are made at the end of each month for Rs. 3,000 and interest on drawings is chargeable @ 6% p.a., amount of interest on drawings is
(a) Rs.890 (b) Rs. 990 (c) Rs. 1,000 (d) none of these
12. If drawings are made in the middle of each quarter for Rs. 1,000 and interest on drawings is chargeable 6% p.a., amount of interest on drawings is
(a) Rs 250 (b) Rs. 1800 (c) Rs. 1,000 (d) none of these
13. On 1st August 2019 Mr. X, partner of a partnership firm drew Rs. 12,000 for personal expenses. If Interest on drawings is chargeable @ 12% p.a. the amount of interest for the year 2019-20 is
(a) 860 (b) 1000 (c) 960 (d) 480
14. Interest on drawings appears in the Profit & Loss Appropriation A/C in
(a) debit side (b) credit side (c) both debit and credit side (d) none of this
15. Which of the items can be recorded in the profit & loss appropriation account?
(a) discount allow; (b) rent paid to partner; (c) interest on drawings; (d) salary of manager .

Compiled by

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