

PIECEMEAL DISTRIBUTION

Q State whether following statements are True or False

- 1 Excess capitals are paid to all partners in gain ratio.
- 2 Income Tax payable is a non preferential liability.
- 3 Outsiders liabilities are known as internal liabilities.
- 4 General reserve is normally distributed in capital ratio.
- 5 Amount which are unpaid to partners represents profit on realisation.
- 6 Bills under discount are contingent liability.
- 7 Outstanding wages are unsecured liability.
- 8 Partners loan are external liabilities.
- 9 Excess capital method is also known as Abnormal Method.
- 10 Under piecemeal distribution, assets are realised gradually.

Q Match the following

	GROUP "A"		GROUP "B"
(i)	Loss on realisation	(a)	Internal liability
(ii)	Profit on realisation	(b)	Preferential liability
(iii)	Secured loan	(c)	Not charged on assets
(iv)	Unsecured loan	(d)	Charged on assets
(v)	Government liability	(e)	Short payment to partners
(vi)	Partners loan	(f)	Excess payment to partners