

7th JUNE, 2023(SHIFT-3)

- Q1.** Identify the term that represent configuration of rows and columns.  
 (a) Keyboard (b) Spreadsheet  
 (c) Ribbon (d) Headers and Footers
- Q2.** Calculate interest on drawings if an amount of ₹7,500 is withdrawn at the end of bimonthly for the year. Rate of interest on drawing is 8% p.a.  
 (a) ₹1,500 (b) ₹3,000  
 (c) ₹2,500 (d) ₹2,256
- Q3.** Following Journal entry is passed in case of:  
 Debenture Application and Allotment A/c Dr  
 Loss on Issue of Debenture A/c Dr  
     To Premium on Redemption of Debentures A/c  
     To Debentures A/C  
 (a) When debenture are issued at discount  
 (b) When debentures are issued at discount and redeemed at Premium.  
 (c) When more amount is spent on advertisement of issue of debentures  
 (d) When debentures are redeemed at discount
- Q4.** Identify the section of the Indian Partnership Act, 1932, that states that the outgoing partner has an option to receive either interest @ 6% p.a till the date of payment or such share of profits which has been earned with his/her money.  
 (a) Section 2 (b) Section 32  
 (c) Section 7 (d) Section 37
- Q5.** According to AS-26 on Intangible Assets.  
 (A) Internally generated goodwill should not be recognised as an asset  
 (B) Self-generated goodwill is accounted for in the books and shown as asset  
 (C) Intangible assets should be written off as early as possible but not exceeding its estimated life.  
 (D) Purchased goodwill is not recognised as asset  
 (E) Can be written off even beyond 10 years depending upon the nature of asset  
 Choose the **correct** answer from the options given below:  
 (a) (A) and (B) only (b) (C) and (B) only  
 (c) (D) and (E) only (d) (A) and (C) only
- Q6.** Which of the following statements is incorrect in case of 'Not for Profit Organisation?'  
 (a) Debit side of Income and Expenditure Account records expenses and losses  
 (b) Balance at the end of Receipt and Payment Account represents cash in hand at the end and Bank Balance  
 (c) Income and Expenditure Account does not include Depreciation  
 (d) Income and Expenditure Account is like as Profit and Loss Account
- Q7.** Identify the item that is treated as non-cash, while preparing Cash Flow Statement as per AS-3, under indirect method.  
 (a) Goodwill purchased (b) Deferred taxes  
 (c) Debenture interest (d) Dividend paid
- Q8.** Select the full form of DBMS:  
 (a) Database Managerial System  
 (b) Databasic Management Systems  
 (c) Database Management Systems  
 (d) Database Management Security
- Q9.** The following is an extract of a Balance Sheet:
- |                   | 31 March 23<br>(₹) | 31 March 22<br>(₹) |
|-------------------|--------------------|--------------------|
| Goodwill          | 6,00,000           | 4,00,000           |
| Land and Building | 15,00,000          | 10,00,000          |
- Additional Information:  
 Goodwill amortised, during the year ₹1,50,000  
 Determine the outflow of Cash from Investing Activities:  
 (a) ₹5,00,000 (b) ₹7,00,000  
 (c) ₹8,50,000 (d) ₹5,50,000
- Q10.** Identify the correct sequence for the following at the time of Issue of Shares.  
 (A) Allotment of shares  
 (B) Calls in arrears  
 (C) Application money received  
 (D) Forfeiture of shares  
 (E) Reissue of shares  
 Choose the **correct** answer from the options given below:  
 (a) (A), (B), (C), (D), (E) (b) (C), (B), (A), (D), (E)  
 (c) (C), (A), (B), (E), (D) (d) (C), (A), (B), (D), (E)
- Q11.** The journal entry for realisation of an unrecorded asset of 5,500 is:  
 (a) Cash A/c Dr 5,500  
     To Realisation A/c 5,500  
 (b) Realisation A/c Dr 5000  
     To Cash 5,000  
 (c) Cash A/c Dr 5,500  
     To Unrecorded assets 5,500  
 (d) Unrecorded asset A/c Dr 5,500  
     To Realisation A/c 5,500
- Q12.** Identify the ratios that are calculated to measure the short-term solvency of the business.  
 (a) Solvency ratios (b) Activity ratios  
 (c) Profitability ratios (d) Liquidity ratios
- Q13.** Where are the amounts owed by customers for credit purchases found?  
 (a) Accounts Receivable Journal  
 (b) Accounts Receivable Subsidiary Ledger  
 (c) Sales Journal  
 (d) General Ledger

**Q14.** Identify the accounts related to a Not-for-Profit Organisation.  
 (A) Profit and Loss Appropriation Account  
 (B) Receipt and Payment Account  
 (C) Subscription Account  
 (D) Income and Expenditure Account  
 (E) Trading and Profit and Loss Account  
 Choose the **correct** answer from the options given below:  
 (a) (A), (B) and (C) only  
 (b) (B), (C) and (D) only  
 (c) (C), (D) and (E) only  
 (d) (B), (C), (D) and (E) only

**Q15.** A sports club sold used sports material like balls, net, bats etc. It is usually shown in:  
 (a) Credit side of Receipt and Payment Account  
 (b) Debit side of Income and Expenditure Account  
 (c) It is not taken into consideration as it is scrap  
 (d) Credit side of Income and Expenditure Account

**Q16.** Identify the essential features of partnership.  
 (A) Agreement between persons  
 (B) Partners should carry some Business  
 (C) No restriction on the number of partners  
 (D) Sharing of profits/losses in agreed ratio between partners  
 (E) No. of partners is restricted by partnership Act-1932  
 Choose the **correct** answer from the options given below:  
 (a) (A), (C) and (E) only      (b) (A), (B) and (D) only  
 (c) (A), (C) and (D) only      (d) (A), (B) and (C) only

**Q17.** D and M Ltd. forfeited 5,000 shares of ₹10 each for non-payment of final call of ₹3/- per shares. Out of these 2,000 shares were reissued @ ₹12/- per share as fully paid up. What is the maximum discount that can be allowed for re-issue of remaining 3,000 shares?  
 (a) ₹30,000                              (b) ₹9,000  
 (c) ₹21,000                              (d) ₹27,000

**Q18.** What is the correct sequence at the time of death of a partner?  
 (A) Amount paid to Executor  
 (B) Preparation of Revaluation account  
 (C) Calculation of Amount Payable to executor of Deceased partner  
 (D) Calculation of Revaluation Gain/Loss  
 (E) Balance of Executor's loan A/c  
 Choose the **correct** answer from the options given below:  
 (a) (B), (D), (C), (A), (E)      (b) (B), (D), (A), (C), (E)  
 (c) (D), (B), (C), (A), (E)      (d) (D), (B), (A), (C), (E)

**Q19.** Identify the correct sequence for preparation of realisation account.  
 (A) Determination of Realisation Gain / Loss  
 (B) Transfer of outsider's Liabilities to Realisation A/c  
 (C) Realisation of Assets  
 (D) Transfer of Assets to Realisation A/c  
 (E) Payment of Liabilities and Realisation Expenses  
 Choose the **correct** answer from the options given below:  
 (a) (D), (B), (C), (E), (A)      (b) (E), (B), (D), (C), (A)  
 (c) (D), (C), (B), (E), (A)      (d) (D), (B), (C), (A), (E)

**Q20.** Match List - I with List - II.

| List - I |   | List - II |                             |
|----------|---|-----------|-----------------------------|
| (A)      | Payable on the expiry of the specific period                            | (I)       | Unsecured Debentures        |
| (B)      | Do not carry a specific rate of interest                                | (II)      | Redeemable Debentures       |
| (C)      | Do not have a specific charge on the assets                             | (III)     | Bearer Debentures           |
| (D)      | Transferred by way of delivery and the company does not keep any record | (IV)      | Zero coupon rate Debentures |

Choose the **correct** answer from the options given below:  
 (a) (A)-(I), (B)-(III), (C)-(II), (D)-(IV)  
 (b) (A)-(III), (B)-(I), (C)-(IV), (D)-(II)  
 (c) (A)-(IV), (B)-(II), (C)-(III), (D)-(I)  
 (d) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)

**Q21.** Consider the facts from the following related to compulsory dissolution of a partnership firm.  
 (A) When all the partners or all but one partner, become insolvent, rendering them incompetent to sign a contract  
 (B) When the business of the firm becomes illegal  
 (C) When a partner becomes permanently incapable of performing his duties as a partner  
 (D) When a partner persistently commits breach of partnership agreement  
 (E) When some event has taken place which makes it unlawful for the partners to carry on the business of the partnership firm  
 Choose the **correct** answer from the options given below:  
 (a) (A), (B) and (D) only  
 (b) (A), (B) and (E) only  
 (c) (A), (B) and (C) only  
 (d) (A), (B) (C) and (D) only

**Q22.** Arrange the following activities in correct sequence.  
 (A) Cash generated from operations  
 (B) Dividend tax paid  
 (C) Net profit before tax and Extra Ordinary Items  
 (D) Operating profit before Working Capital changes  
 (E) Proceeds from sale of Investment  
 Choose the **correct** answer from the options given below:  
 (a) (A), (B), (D), (C), (B)      (b) (C), (D), (A), (E), (B)  
 (c) (C), (D), (E), (A), (B)      (d) (C), (D), (E), (B), (A)

**Q23.** Match List - I with List - II.

| List - I |                          | List - II |  |
|----------|--------------------------|-----------|--|
| (A)      | Normal Rate of Return    | (I)       | Total Assets - Outside Liabilities                     |
| (B)      | Number of years purchase | (II)      | Usual return on capital employed                       |
| (C)      | Capital Employed         | (III)     | Return over and above usual return in similar business |

|     |              |      |   |
|-----|--------------|------|---|
| (D) | Super Profit | (IV) | Expected period for which returns are anticipated to accrue |
|-----|--------------|------|---|

- (a) (A)-(I), (B)-(II), (C)-(IV), (D)-(III)
- (b) (A)-(III), (B)-(I), (C)-(II), (D)-(IV)
- (c) (A)-(II), (B)-(IV), (C)-(I), (D)-(III)
- (d) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)

**Q24.** Match List – I with List – II.

| List – I |          | List – II |       |
|----------|----------|-----------|-------|
| (A)      | Ctrl + P | (I)       | Cut   |
| (B)      | Ctrl + X | (II)      | Paste |
| (C)      | Ctrl + V | (III)     | Copy  |
| (D)      | Ctrl + C | (IV)      | Print |

Choose the **correct** answer from the options given below:

- (a) (A)-(I), (B)-(II), (C)-(III), (D)-(IV)
- (b) (A)-(II), (B)-(I), (C)-(IV), (D)-(III)
- (c) (A)-(IV), (B)-(I), (C)-(II), (D)-(III)
- (d) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)

**Q25.** Select the amount of net Cash Flow from Investing activities on the basis of following information, for the year ending on March 31<sup>st</sup>, 2023.

Machinery as on April 1<sup>st</sup>, 2022 ₹50,000  
 Machinery as on March 31<sup>st</sup>, 2023 ₹60,000  
 During the year, machine costing ₹25,000 with accumulated depreciation of ₹15,000 was sold for ₹10,000.

- (a) ₹10,000 inflow
- (b) ₹15,000 outflow
- (c) ₹20,000 inflow
- (d) ₹25,000 outflow

**Q26.** A and B are partners in a partnership firm, sharing profits in 3 : 2 ratio. They agreed to admit new partner C. A sacrifices  $\frac{1}{6}$  from his share and B sacrifices  $\frac{1}{4}$  from his share. Calculate new profit-sharing ratio between A, B and C.

- (a) 26 : 9 : 25
- (b) 5 : 3 : 2
- (c) 1 : 1 : 1
- (d) 25 : 20 : 15

**Q27.** Identify the account in case of a Not-for-Profit Organisation that exclude the Capital receipts and Capital payments.

- (a) Receipt and Payment Account
- (b) Income and Expenditure Account
- (c) Cash Account
- (d) Bank Account

**Q28.** At the time of Revaluation of Assets and Liabilities during admission of partner.

- (a) Profit or Gain transferred to sacrificing partners
- (b) Reduction of liability should be credited to partners' capital account
- (c) Unrecorded assets and liabilities should be written off immediately
- (d) Unrecorded Assets should be credited and unrecorded liabilities should be debited to Revaluation A/c

**Q29.** Calculate current ratio when:

Total asset ₹3,00,000  
 Fixed asset ₹1,60,000  
 Investment ₹1,00,000

Non-current Liabilities ₹ 80,000  
 Shareholders fund ₹ 2,00,000  
 (a) 3 : 1 (b) 1.5 : 1  
 (c) 2.5 : 1 (d) 2 : 1

**Q30.** Which of the following user is interested in knowing borrowing capacity of the organisation at the time of analysis?

- (a) Employees and Trade Union
- (b) Bankers and lenders
- (c) Researchers
- (d) Competitors

**Q31.** Identify the admission fee that is paid only once by a person to become member of a Not-for-Profit Organisation.

- (a) Life Membership Fees
- (b) Entrance Fee
- (c) Subscription
- (d) Legacies

**Q32.** Which of the following statement is **False**?

- (a) Statement of profit and loss shows the operating performance of an enterprise for a period of time.
- (b) Financial statement of an enterprise includes statement of profit and loss, statement of balances of liabilities and assets, and Cash Flow Statement.
- (c) Financial statement helps an analyst to drive decision.
- (d) Financial statements do not include Cash Flow Statement.

**Q33.** At the time of dissolution of partnership firm following accounts are prepared:

- (A) Revaluation A/c
- (B) Partner's capital A/c
- (C) Balance sheet
- (D) Realisation A/c
- (E) Cash/Bank A/c

Choose the **correct** answer from the options given below:

- (a) (A), (B) and (C) only
- (b) (B), (D) and (E) only
- (c) (A), (B) and (E) only
- (d) (B), (C) and (D) only

**Q34.** In case of a financial enterprise, interest paid is classified under which activity while preparing Cash flow Statement.

- (a) Operating activity
- (b) Financing activity
- (c) Investing activity
- (d) Inflow activity

**Q35.** From the following information calculate Price Earning ratio:

70,000 Equity Shares of ₹10 each - ₹7,00,000  
 Net profit after tax before dividend - ₹1,75,000  
 Market price of share ₹13  
 Dividend declared @ 15%

- (a) 0.6
- (b) 2.5
- (c) 5.2
- (d) 1.5

**Q36.** Arrange following categories of Share Capital in a sequence.

- (A) Authorised capital
- (B) Subscribed but not fully paid up
- (C) Subscribed and fully paid up
- (D) Called up capital
- (E) Issued capital



- Q46.** Current accounts of partners are reflected in books of accounts as per \_\_\_\_\_ method.  
(a) Fluctuating (b) Fixed:  
(c) Volatile (d) Dynamic
- Q47.** Which of the following is not a factor affecting value of goodwill?  
(a) Efficiency of management  
(b) Location of business  
(c) Number of partners  
(d) Nature of business
- Q48.** State the amount of Azad's share in Revaluation gain.  
(a) ₹1,680 (b) ₹2,520  
(c) ₹640 (d) ₹1,260
- Q49.** State journal entry to be passed of treatment of general reserve.
- (a) Debit Azad's capital A/c ₹4,000 Babli's capital A/c ₹2,000  
Credit Chintan's Capital A/c ₹6,000
- (b) Debit General Reserve A/c ₹6,000  
Credit Azad's Capital A/c 4,000; Babli's Capital A/c ₹2,000
- (c) Debit General Reserve A/c ₹6,000  
Credit Azad's Capital A/c ₹3,000; Babli's Capital A/c ₹1,500; Chintan's Capital A/c ₹1,500
- (d) Debit Chintan's Capital A/c ₹6,000  
Credit Azad's Capital A/c ₹4,000; Babli's Capital A/c ₹2,000
- Q50.** Compute new capital of Babli:  
(a) ₹30,000 (b) ₹60,000  
(c) ₹45,000 (d) ₹54,000

