

Sample Question Paper 2021-22

Term 1

Subject: Accountancy-II

Time: 60 minutes

Max. Marks: 40

General instructions:

1. The Question Paper consist of three Parts A, B and C.
2. Part-A is compulsory. Students can opt only one part from Part-B or Part-C.
3. Part A has 18 questions. All questions are compulsory.
4. Part B and Part-C has 22 questions. Students will opt either Part-B or Part-C.
5. All questions carry equal marks.
6. There is NO negative marking.

**PART-A**

**(Partnership Accounts)**

1. When drawings of equal amount are made during a year, at the beginning of every month, the average period is \_\_\_\_\_ months.

- (a) 5.5
- (b) 6
- (c) 6.5
- (d) 7

2. On 1<sup>st</sup> October, 2020, Rohan extended loan to his partnership firm (without any agreement) of Rs. 10,000. His interest for year ending 31<sup>st</sup> December, 2020 is:

- (a) Rs. 600
- (b) Rs. 300
- (c) Rs. 150
- (d) Nil

3. Navdeep and Sandeep are partners in a firm with capital of Rs.20,000 and Rs. 40,000 respectively. Profit for FY 21 are Rs. 60,000. Who will get how much share?

- (a) Navdeep Rs. 20,000, Sandeep Rs. 30,000
- (b) Navdeep Rs. 20,000, Sandeep Rs. 40,000

(c) Navdeep Rs. 30,000, Sandeep Rs. 40,000

(d) None of these

4. Goodwill of Indian Snacks, a partnership firm, is Rs. 10,00,000 calculated on 2.5 year's purchase of average profits of last years. What is the value of X?

FY	2021	2020	2019
Profits	7,00,000	X	3,00,000

(a) Rs. 65,00,000

(b) Rs. 4,00,000

(c) Rs. 2,00,000

(d) Rs. 15,00,000

5. Goodwill can be \_\_\_\_\_.

(a) Purchased

(b) Self-generated

(c) Both (a) and (b)

(d) None of these

6. Match the columns.

Column I	Column II
(A) Intangible Asset	(i) Method of goodwill valuation
(B) Nature of business	(ii) Feature of Goodwill
(C) Super Profit	(iii) Factor affecting goodwill
(D) Self-generated	(iv) Type of Goodwill

(a) A-(iii) B- (ii) C- (iv) D-(i)

(b) A-(ii) B- (iii) C- (iv) D- (i)

(c) A- (iii) B- (ii) C- (i) D-(iv)

(d) A- (ii) B- (iii) C- (i) D-(iv)

7. The nature of Profit & Loss Adjustment account is:

(a) Real

(b) Personal

(c) Both (a) and (b)

(d) Nominal

8. Partners whose share of profit has been \_\_\_\_\_ as a result of change, is known as sacrificing partner.

- (a) Increased
- (b) Decreased
- (c) Both (a) and (b)
- (d) None of these

9. A and B are partners in a firm sharing profits and losses 2:3 with effect from 1<sup>st</sup> April, 2021, they decided to share profits equally. What is B's gain/sacrifice?

- (a) Gain 1/5
- (b) Sacrifice 1/5
- (c) Gain 1/10
- (d) Sacrifice 1/10

10. The "Share of premium for goodwill" brought in by the new partner is divided in which ratio?

- (a) In new ratio
- (b) In old Ratio
- (c) In sacrificing ratio
- (d) None of these

11. "A", "B", and "C" are partners sharing profits in the ratio of 3:2:1. They agree to admit "G" into the firm. "A", "B" and "C" agreed to give 1/3<sup>rd</sup>, 1/6<sup>th</sup> and 1/9<sup>th</sup> share of their profit. The share of profit of "C" will be:

- (a) 11/54
- (b) 13/54
- (c) 1/10
- (d) 12/54

12. Loveleen and Manleen were partners sharing profits and losses in the ratio of 3:2. On 31<sup>st</sup> December, 2019, the extract of their balance sheet is as follows

Liabilities	Amount	Assets	Amount
		Land and Building	1,00,000

At the time of admission of new partner Harleen, if the value of Land and Building is to be appreciated by 10%, then what will be the amount of Land and Building which is to be shown in the new Balance Sheet?

- (a) Rs. 90,000
- (b) Rs. 1,00,000
- (c) Rs. 10,000
- (d) Rs. 1,10,000

13. "A" and "B" are partners in a firm. They share their profits and losses in the ratio of 3:2. They have decided that their new profits (losses) sharing ratio will be 1:1. At that time goodwill is valued at Rs. 30,000. Calculate the amount of goodwill which will be given by B to A.

- (a) Rs. 2500
- (b) Rs. 2,400
- (c) Rs. 2,800
- (d) Rs. 3,000

14. The formula for calculating sacrificing ratio is:

- (a) New share-Old share
- (b) Old share-New Share
- (c) Gaining Ratio-Old Ratio
- (d) Old Ratio-Gaining Ratio

15. Any change in the relationship of existing partners which results in an end of the existing agreement and enforces making of a new agreement is called:

- (a) Revaluation of partnership
- (b) Reconstitution of partnership
- (c) Realisation of partnership
- (d) None of these

16. If at the time of admission, there is some unrecorded liability, it will be :

- (a) Debited to Revaluation Account
- (b) Credited to Revaluation Account
- (c) Debited to Goodwill Account
- (d) Credited to partners' Capital Accounts

17. **Extract of Balance Sheet**

Liabilities	Amount	Assets	Amount
		Debtors	4,00,000
		(-) Provision for	

		Doubtful Debts (20,000)	3,80,000
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Provision to be maintained @ 10% at the time of change in the profit sharing ratio. What is the amount credited/debited in revaluation account?

- (a) Debit Rs. 40,000
- (b) Credit Rs. 40,000
- (c) Credit Rs. 20,000
- (d) Debit Rs. 20,000

18. Goodwill of a partnership firm is calculated by 2 years purchase of super profits. What are the normal returns of business, if Goodwill = Rs. 30,000 and Average profits = Rs. 25,000:

- (a) Rs. 40,000
- (b) Rs. 10,000
- (c) Rs. 15,000
- (d) Rs. 5,000

**Note: The students can opt either PART-B or PART-C**

**PART – B**

**(Company Accounts and Analysis of Financial Statements)**

19. The document issued by a company inviting offers from the public to subscribe for its shares is known as:

- (a) Memorandum of Association
- (b) Articles of association
- (c) Prospectus
- (d) Share certificate

20. The maximum amount of capital that a company is entitled to raise by issue of shares is its \_\_\_\_\_.

- (a) Authorized share capital
- (b) Reserve share capital
- (c) Called-up capital
- (d) Paid-up capital

21. When shares are issued at a price higher than the face value, they are said to be issued \_\_\_\_\_.

- (a) At par.

- (b) At premium
- (c) At discount
- (d) None of the above.

22. "Securities Premium Reserve" will appear in the Balance Sheet of a company under the heading:

- (a) Share capital
- (b) Reserves and Surplus
- (c) Money received against share warrants
- (d) Short term provisions

23. X Ltd. Purchased a building for Rs. 3,00,000 from Mr. Atul by issue of equity shares of Rs. 10 each at a premium of 20%. The number of shares issued by the company to Mr. Atul will be:

- (a) 24,000 shares
- (b) 25,000 shares
- (c) 30,000 shares
- (d) 36,000 shares.

24. The part of capital which can be called at the time of winding up of the company is called:

- (a) Nominal capital
- (b) Reserve capital
- (c) Subscribed capital
- (d) Capital Reserve

25. X Ltd, issued 20,000 shares of Rs. 10 each at a premium of 20%. Mohit purchased 500 shares and paid Rs. 3 on application but did not pay the allotment money of Rs. 5. If the company forfeits the entire shares of Mohit, the "Shares Forfeited Account" will be credited with \_\_\_\_\_.

- (a) Rs. 1,200
- (b) Rs. 1,500
- (c) Rs. 2,000
- (d) Rs. 2,500

26. A company for the purpose of raising funds, may issue \_\_\_\_\_.

- (a) Equity shares

(b) Preference shares

(c) Both (a) and (b)

(d) None of the above

27. Capital of a company is divided in units which is called:

(a) Debenture

(b) Share

(c) Stock

(d) Bond

28. A company issued 10,000 shares of Rs. 10 each. Amount is payable as Rs. 2 on application, Rs. 5 on allotment and Rs. 3 on first and final call. A shareholder who had 1,000 shares failed to pay allotment and first call amount on due date. What will be the amount received by company against issue of shares?

(a) Rs. 20,000

(b) Rs. 92,000

(c) Rs. 1,00,000

(d) Rs. 80,000

29. Match the following.

Column I	Column II
(A) When shares are issued more than the face value.	(i) At par
(B) Application received from public is less than the issued share.	(ii) At premium
(C) When shares are issued at face value	(iii) Under subscription
(D) Application received from public is more than issued share.	(iv) Over subscription

(a) A-(ii) B-(i) C-(iv) D-(iii)

(b) A-(ii) B-(iii) C-(i) D-(iv)

(c) A-(iv) B-(iii) C-(ii) D-(i)

(d) A-(iii) B-(iv) C-(i) D-(ii)

30. The % associated with preference shares as prefix eg 10% Preference Share is the rate of:

(a) interest

(b) Profit

- (c) Dividend
- (d) All of these

31. Which of the following is not a technique of financial analysis?

- (a) Capital Budgeting
- (b) Common Size Statement
- (c) Ratio Analysis
- (d) Cash Flow Analysis

32. Which of the following items is not shown under the heading "Current Assets" in the Balance Sheet of a company?

- (a) Short-term Loans and advances.
- (b) Inventories
- (c) Trade payables
- (d) Cash and cash equivalents

33. Which of the following is not an example of "Fixed Assets – Intangible Assets"?

- (a) Loose Tools
- (b) Brands
- (c) Trademarks
- (d) Computer Software

34. "Bills Receivable" is shown in the Balance Sheet of a company under the sub-head \_\_\_\_\_.

- (a) Current Investments
- (b) Trade Payables
- (c) Trade Receivables
- (d) Other Current Assets.

35. What will be the amount shown under the head current liabilities when the following data is given?

Short term borrowings = Rs. 3,00,000

Trade payables = Rs. 2,00,000

Other Current Liabilities = Rs. 1,00,000

Short term provisions = Rs. 1,00,000



- (a) Rs. 5,00,000
- (b) Rs. 6,00,000
- (c) Rs. 4,00,000
- (d) Rs. 7,00,000

36. Current assets and Current Liabilities of a company were Rs. 2,50,000 and Rs. 1,00,000 respectively. It paid Rs. 50,000 to a creditor. The current ratio after the payment will be:

- (a) 4:1
- (b) 2:1
- (c) 5:1
- (d) 2.5:1

37. Inventory Turnover Ratio = \_\_\_\_\_ / Average inventory

- (a) Net credit Revenue from Operations
- (b) Cash Revenue from Operations
- (c) Revenue from Operations
- (d) Cost of Revenue from Operations

38. Which of the following equations is wrong:

- (a) Working Capital = Current Assets + Current Liabilities
- (b) Total Assets = Non- Current Assets + Current Assets
- (c) Trade Payables = Creditors +B/P
- (d) Trade Receivables = Debtors +B/R

39. What is the total under assets side of the balance sheet when the following information is given?

Non-current assets = Rs. 5,00,000

Current Assets = Rs. 2,00,000

Current Liabilities = Rs. 3,00,000

- (a) Rs. 7,00,000
- (b) Rs. 10,00,000
- (c) Rs. 5,00,000
- (d) None of the above

40. Which of the following is not a current asset?

- (a) Inventories
- (b) Debtors
- (c) Bills payable
- (d) Accrued Income

**PART-C**

19. A speed sheet is also known as \_\_\_\_\_

- a) Work book
- b) Work area
- c) Work sheet
- d) Spread book

20. Spreadsheet is used to.....

- a) Record data
- b) Calculate data
- c) Compare data
- d) All the above

21. A file in Liber Office Calc is known as a.....

- a) Worksheet
- b) Page
- c) Work book
- d) All the above

22. Which command reverses the last action performed in the worksheet?

- a) Cut
- b) Undo
- c) Redo
- d) Paste

23. A formula must starts with a..... sign

- a) =
- b) >
- c) \*

d) {}

24. Without the equal sign, the entry in a cell is treated as.....

a) Text

b) Label

c) Text or Label

d) None of the above

25. Which function automatically totals a column or row of Values?

a) TOTAL

b) ADD

c) SUM

d) AVG

26. Which Mathematical Operator is represented by an asterisk (\*)

a) Exponentiation

b) Addition

c) Subtraction

d) Multiplication

27. The cell references for cell range of G2 to M12 is.....

a) G2 . M12

b) G2 ; M12

c) G2 : M12

d) G2 - M12

28. Which among the following is not a spreadsheet software.

a) MS Office Excel

b) Open Office Spreadsheet

c) Libre Office Calc

d) MS Office Word

29. How many worksheets can be made as active worksheet at a time?

a) 1

b) 2

c) 3

d) 4

30. Accounting Packages are developed on the basis of

a) Accounting concepts

b) Accounting conventions

c) Both Accounting concepts and Conventions

d) None of the above

31. What type of Software is an Accounting Package?

a) System Software

b) Application Software

c) Utility Software

d) Basic Software

32. The components of computerised accounting system are

a) Data, Report, Ledger, software, Hardware

b) Software, Hardware, People, Procedure, Data

c) Data, Coding, Procedure, Objective, Output

d) People, Procedure, Hard ware, software

33. Codification of Accounts required for the purpose of

a) Hierarchical relationship between groups and components

b) Data processing faster and preparing of final accounts

c) Keeping data and information secured

d) None of the above

34. Final account subsystem in Accounting Information System (AIS) deals with

a) Preparation of budgets

b) Preparation of Pay Roll

c) Preparation of Final Accounts

d) None of the above

35. Pick the odd one out

a) Password security

b) Data Audit

c) Data Bank

d) Data vault

36. Which among the following is an example of mnemonic codes.

a) AS03, AS04, AS05

b) 1925, 1926, 1927, 1928

c) ACC, ECO, ENG, MAL

d) 001-100, 101-200, 201-300, 301-400

37. Which among the following deals with generation of reports that are vital for management decision making?

a) Costing sub system

b) Pay Roll Accounting Sub system

c) Budget Sub System

d) Management Information System

38. The need of codification is

a) Easy to process data

b) Keeping proper records

c) The generation of block codes

d) The encryption of data

39. Choose the correct pair

a) Cash and Bank sub system-Deals with receipts and payments of cash

b) Inventory sub system-deals with recording of sales

c) Payroll Accounting sub system-deals with preparation of final accounts:

d) Accounts receivable sub system-deals with expense

40. Match the following:

Column I	Column II
(A) SLN	(i) Written Down Value Method
(B) DDB	(ii) Monthly salary Statement
(C) Salvage Value	(iii) Fixed instalment method of Depreciation
(D) Payroll	(iv) Acquisition Cost-Total Depreciation

- (a) A-(ii) B-(i) C-(iv) D-(iii)
- (b) A- (ii) B-(iii) C-(i) D-(iv)
- (c) A-(iii) B-(i) C-(iv) D-(ii)
- (d) A-(iii) B-(iv) C-(i) D-(ii)