

1. **Consider the following statements & state which statements is correct :**

(A) Book keeping is a larger concept than accounting	(B) Accounting relates to the designing of whole system of recording, Classifying and analyzing transactions
(C) A book-keeper requires more knowledge and understanding than an accountant	(D) Work of accountant is of more clerical nature than a book keeper
2. **A business has total assets of ` 85,000 and capital is ` 35,000. The amount of liability is**

(A) ` 85,000	(B) ` 50,000
(C) ` 35,000	(D) ` 40,000
3. **State which accounting concept the accountant should follow in dealing with the following : Although the sales have not yet actually taken place, some reliable customers of the company have placed several large orders that are likely to be extremely profitable.**

(A) Consistency	(B) Conservatism
(C) Historical cost	(D) Realization
4. **The Accounting Standards are mandatory for :**

(A) Companies	(B) Partnership Concerns
(C) Charitable Organizations	(D) Sole Proprietorship
5. **'Workmen Compensation under Dispute' is an example of:**

(A) Contingent Liability	(B) Contingent Asset
(C) Current Liability	(D) Current Asset
6. **Historical cost concept requires the recording of an asset:**

(A) At its Cost Value	(B) At its Market value
(C) At its Net Realizable value	(D) At its Replacement cost
7. **Which of the following is a correct version of the 'Fundamental Accounting Equation'?**

(A) Assets = capital less liability	(B) Assets = liabilities
(C) Assets plus liabilities = capital	(D) Assets = capital + liabilities
8. **An amount of ` 30,000 spent on travelling expenses of the company's director to a foreign trip for purchase of an asset to be used in the production process. This is a**

(A) Capital expenditure	(B) Revenue expenditure
(C) Deferred revenue expenditure	(D) None of the above
9. **Compound journal entry contains**

(A) More than one debit entry only	(B) More than one credit entry only
(C) More than one debit entry or more than one credit entry or both	(D) No narration
10. **If R. Singh were to post ` 1,000 to the debit of S. Ganguli's account instead of to the credit of S. Ganguli's account, this would be known as an error of**

(A) Principle	(B) Commission
(C) Omission	(D) compensation
11. **The total of the Purchase Day Book is posted periodically to the :**

(A) Debit of Purchases A/C	(B) Credit of Purchases A/C
(C) Cash Book	(D) None of these
12. **Imprest amount – Rs.500.What will be the amount of re-imburement if following expenses were incurred by the petty cashier during the month-Telephone =Rs.150, Tiffin = Rs.50, small repairs = Rs.30 general expenses = Rs.100**

(A) Rs. 300	(B) Rs. 170
(C) Rs. 330	(D) Rs. 270
13. **A truck was purchased and after sometime, the name of the company was painted on it for advertisement purpose for Rs.1,000/- this is:**

(A) Capital Expenditure	(B) Deferred Revenue Expenditure
(C) Revenue Expenditure	(D) None

14. Amount received from IDBI as a medium term loan for augmenting working capital is
 (A) Capital expenditures (B) Revenue expenditures
 (C) Capital receipt (D) Revenue receipt
15. If the sales return of ₹ 1500 is wrongly posted to the credit of purchase return a/c, but has been correctly entered in debtor's account, the total of the
 (A) Trial balance would show debit side to be ₹ 3000 more than the credit (B) Trial balance would show credit side to be ₹ 3000 more than the debit
 (C) The debit side of trial balance will be ₹ 1500 more than the credit side (D) The credit side of trial balance will be ₹ 1500 more than the debit side
16. A furniture company has purchased furniture on cash basis and recorded the same in the Purchase Day Book it is an
 (A) Error of principle (B) Error of omission
 (C) Error of commission (D) Clerical error
17. When Money is withdrawn from bank, the bank:
 (A) Credits Customers A/c (B) Debits Customers A/c
 (C) Credits and Debits Customer's A/c (D) None of these
18. Balance as per Pass Book ₹ 30,000
 (i) Cheque issued but not presented ₹ 80,000
 (ii) Cheque deposited but not yet recorded by bank ₹ 50,000
 Balance as per Cash Book will be
 (A) ₹ 80,000 (B) ₹ 60,000
 (C) Nil (D) None of these
19. State with reference to Accounting Standard 2 how will you value the inventories in the following case Cool-Air has purchased 10,000 coolers at an average cost of ₹ 8,000 each. At the year-end, there were 2,000 coolers in stock. Of these, 500 are ear-marked against a sale contract at a price of ₹ 9,000 each. The general market price has, however, dropped to an average of ₹ 7,500 each. The value closing stock at the year-end is
 (A) ₹ 1,52,50,000 (B) ₹ 1,50,00,000
 (C) ₹ 1,57,50,000 (D) ₹ 1,60,00,000
20. From the following data of M/s. Waghela & Sons, find out the closing inventory under the weighted average method of inventory valuation :
- | | | | |
|--------------------------|-----------|-------------|------------|
| 1 st January, | Inventory | 1,000 units | @ ₹ 4 each |
| 31 st January | Purchases | 1,200 units | @ ₹ 5 each |
- Sales for the period, 2000 units @ ₹ 8 each.
 (A) ₹ 1,000 (B) ₹ 909
 (C) ₹ 800 (D) ₹ 1,600
21. A business has made a profit of ₹ 8,000 but its bank balance has fallen by ₹ 5,000. This could be due to:
 (A) Depreciation of ₹ 3,000 and an increase in stock of ₹ 10,000 (B) Depreciation of ₹ 6,000 and the repayment of a loan of ₹ 7,000
 (C) Depreciation of ₹ 12,000 and the purchase of new fixed assets for ₹ 25,000 (D) The disposal of a fixed asset for ₹ 13,000 less than its book value
22. A fixed asset account showed a net book value of ₹ 67,460. A fixed asset costing ₹ 15,000 had been sold for ₹ 4,000, making a loss on disposal of ₹ 1,250. No entries had been made in the fixed asset account for this disposal.
 The balance on the fixed asset account after disposal is
 (A) ₹ 42,710 (B) ₹ 51,210
 (C) ₹ 53,710 (D) ₹ 62,210
23. If profit are 25% of the selling price, what is percentage of profit on cost price?
 (A) 20% (B) 25%
 (C) 30% (D) 33 1/3%
24. Which of the following is capital expenditure?
 (A) Cost of installing a new machine (B) Interest paid on loan borrowed to finance

- (C) Cost of replacing parts to maintain the efficiency of a machine
- (D) Cost of electricity to run a machine
- the purchase of a new machine
25. On 1st January, 1999, the balances on different accounts in the books of Bhushan were as follows: Stock on hand ₹ 3,500; Investments ₹ 3,000; Loans from Ramji ₹ 3,500; Owing by debtors ₹ 2,500; Owing to creditors ₹ 1,500; Plant and Machinery ₹ 3,000; Bills payable ₹ 1,250; Cash at bank ₹ 2,000.
The amount of capital of Bhushan on this date was:
- (A) ₹ 750 (B) ₹ 1,750
(C) ₹ 2,750 (D) ₹ 7,750
26. X of Kanpur sends out 500 boxes to Y of Delhi, costing ₹ 400 each. 1/10th of the boxes were lost in transit. 2/3rd of the boxes received by consignee is sold at COST +25%. The amount of sale value will be :
- (A) ₹ 1,00,000 (B) ₹ 1,50,000
(C) ₹ 1,20,000 (D) ₹ 1,40,000
27. Which of the following is true?
- (A) Consignment stock is valued at market price (B) Abnormal loss is treated separately in the consignment account
(C) Normal loss is treated separately in the consignment account (D) Del credere commission is paid on credit sales
28. In a joint venture, goods costing ₹ 5,000 was completely destroyed by fire. Insurance claim in respect of that was received ₹ 2,000
How much should be credited to the joint venture account?
- (A) ₹ 5,000 (B) ₹ 3,000
(C) ₹ 7,000 (D) ₹ 2,000
29. At the time of endorsement of a bill, the drawer credits
- (A) The drawee (B) The endorsee's personal account
(C) Bills receivable account (D) Cash A/c
30. On 1.1.05 X draws a bill on Y for ₹ 10,000. On maturity Y request X to renew the bill for 2 month at 12% p.a. interest. Amount of interest will be:
- (A) ₹ 200 (B) ₹ 150
(C) ₹ 180 (D) ₹ 190
31. At what price goods pending approval or return as on the last day of accounting year are valued
- (A) Cost price (B) Selling price
(C) Average price (D) Latest price
32. X and Y started business on 1st April, 2009 with capitals of ₹ 5,00,000 and ₹ 3,00,000 respectively. There is no withdrawal or addition of capital during the year. Calculate the interest on capital @ 12% p.a. if the books of accounts are closed on 31st December.
- (A) X – ₹ 27,000 and Y – ₹ 45,000 (B) X – ₹ 45,000 and Y – ₹ 27,000
(C) X – ₹ 45,000 and Y – ₹ 36,000 (D) X – ₹ 27,000 and Y – ₹ 36,000
33. A firm has an average profit of ₹ 60,000. Rate of return on Capital employed is 12.5% p.a. Total capital employed in the firm was ₹ 4,00,000. Goodwill on the basis of two years purchase of super profits is :
- (A) ₹ 20,000 (B) ₹ 15,000
(C) ₹ 10,000 (D) NONE
34. X,Y,Z were partners sharing profits in ratio of 5:3:2 Goodwill does not appear in books, but it is agreed to be worth ₹ 1,00,000. X retires from the firm and Y and Z decide to share future profits equally. X's share of Goodwill will be debited to Y's and Z's capital A/c in ratio:
- (A) 1/2 : 1/2 (B) 2 : 3
(C) 3 : 2 (D) None
35. Retiring or outgoing partner
- (A) To be liable for firm's liabilities (B) Not liable for any liabilities of the firm
(C) Is liable for obligations incurred before his (D) Is liable for obligations incurred with his

- retirement consent only
36. **The premium paid on a joint life policy is charged to profit and loss account every year as expense.**
The surrender value of the policy is in 31st December, were as under:
2003 – ` 10,000; 2004 – ` 15,000 ; 2005 – ` 20,000; 2006 – ` 30,000
What is the balance in the joint life policy account on 31st December, 2005?
- (A) ` 30,000 (B) Nil
 (C) ` 10,000 (D) ` 25,000
37. **Proposed dividend is shown in the balance sheet of a company under the head –**
- (A) Provisions (B) Current liabilities
 (C) Reserves and surplus (D) Other liabilities
38. **200 equity shares of ` 100 each issued at ` 110, forfeited for non payment of final call of ` 40. Premium ` 10 is collected as part of allotment money. Amount to be credited to share forfeiture account:**
- (A) ` 12,000 (B) ` 14,000
 (C) ` 8,000 (D) ` 22,000
39. **The directors of a limited company resolved to forfeit 1000 shares of ` 10 each, ` 7.50 paid up, for non-payment of the final call money of ` 2.50 per share 700 of these shares were reissued at ` 7 per share. The amount to be transferred to Capital Reserve A/c would be**
- (A) ` 2,500 (B) ` 3,150
 (C) ` 3,500 (D) ` 5,400
40. **Right shares means the share which are:**
- (A) Issued to the directors of the company (B) First offered to the existing shareholders
 (C) First offered to the existing debenture holders (D) Issued by the newly formed company
41. **Hero industries purchased a plant from Hind Industries for ` 10,00,000. The company paid ` 2,00,000 in cash and agreed to allot 15% Redeemable Preference Shares of ` 100 each for the balance amount. How many 15% preference shares of ` 100 each will be allotted to the vendor, if the shares are issued at a premium of 25%?**
- (A) 8,000 shares (B) 6,400 shares
 (C) 7,200 shares (D) 7,580 shares
42. **Premium on redemption of debentures account is recorded on issue of debentures**
- (A) A real account (B) A nominal account – income
 (C) A personal account (D) A nominal account – expenditure
43. **Which of the following is not true?**
- (A) Accounting standards are not mandatory in nature (B) Accounting standards are intended to apply only to items which are material
 (C) Accounting standards are accounting rules and procedures relating to measurement valuation and disclosure (D) Accounting standards have a direct effect on the working results and the financial position of a business unit
44. **The adjustments to be made for prepaid expenses is:**
- (A) Add prepaid expenses to respective expenses and show it as an asset (B) Deduct prepaid expenses from respective expenses and show it as an asset
 (C) Add prepaid expenses to respective expenses and show it as a liability (D) Deduct prepaid expenses from respective expenses and show it as a liability
45. **Recording of capital contributed by the owner as liability ensure adherence of principle of**
- (A) Matching (B) Going concern
 (C) Double entry (D) Separate entity of business
46. **C was admitted in a firm with 1/4th share of the profits of the firm. C contributes Rs. 15,000 as his capital, A and B are other partners with the profit sharing ratio as 3 : 2. Find the required capital of A and B, if capital should be in profit sharing ratio taking C's as base capital :**
- (A) Rs. 27,000 and Rs. 16,000. for A and B (B) Rs. 27,000 and Rs. 18,000 for A and B

- respectively.
(C) Rs.32,000 and Rs. 21,000 for A and B respectively
- respectively
(D) None of the above
47. **Imprest amount – ₹500. What will be the amount of re-Imbursement if following expenses were incurred by the petty cashier during the month- Telephone = ₹150, Tiffin = ₹50, small Repairs = ₹30 general expenses = ₹100.**
(A) 300 (B) 170
(C) 330 (D) 270
48. **A sole trader took some goods costing ₹1,000 from stock for his own use. The normal selling price of the goods is ₹1,500. Which of the following journal entries would correctly record this?**
(A) Drawings A/c Dr. 1,500 To Sales A/c 1,500 (B) Drawings A/c Dr. 1,500 To Purchases A/c 1,500
(C) Drawings A/c Dr. 1,000 To Purchases A/c 1,000 (D) Sales A/c Dr. 1,000 To Drawings A/c 1,000
49. **The main purpose of preparing a trial balance is**
(A) To prepare a summary of all the balances (B) To compare the debit balances with credit balances
(C) To locate all types of errors (D) To check the arithmetic accuracy of the ledger accounts
50. **The total of 'Discount Allowed' column in the cash book is ₹400. How should this items be posted in the ledger?**
(A) Cr. Discount Allowed (B) Dr. Discount Allowed
(C) Cr. Discount Received (D) Dr. Discount Received
51. **Payment made to a creditor subject to cash discount will :**
(A) Reduce a liability, reduce an asset and add to expenses. (B) Reduce a liability, add to an asset, and add to revenue
(C) Reduce an asset, reduce a liability and add to revenue. (D) Reduce a liability, reduce an asset and decrease expense
52. **A Ltd.'s trial balance does not balance. Which one of the following errors may be the cause of this failure to balance?**
(A) The purchase of a machine had been debited to the machinery repairs account (B) A cheque from B – a customer had been credited to D Account
(C) Goods returned inwards had been debited to debtors account (D) The depreciation charge on machinery had been credited to the cost of machinery account
53. **A business had a balance at the bank of ₹2,500 at the start of the month. During the following month, it paid for materials invoiced at ₹1,000 less trade discount of 20% and cash discount of 10%. It received a cheque from a debtor in respect of an invoice for ₹200, subject to cash discount of 5%. The balance at the bank of the end of the month was:**
(A) ₹1,970 (B) ₹1,980
(C) ₹1,990 (D) ₹2,000
54. **During a period of steadily falling prices, which of the following methods of measuring the cost of goods sold is likely to result in reporting the highest gross profit?**
(A) First-In-First-Out (B) Last-In-First-Out
(C) Average cost (D) Weighted average cost
55. **Leasehold property is generally depreciated by**
(A) Annuity method (B) Depletion method
(C) Reducing balance method (D) Insurance policy method
56. **At the end of Trial Balance, the following adjustments are given stock destroyed – ₹20,000 Insurance claim received ₹16,000. The effect of the above adjustments will be shown in:**
(A) Trading Account (B) Profit and Loss Account
(C) Balance Sheet (D) All of the above

57. A Company wishes to earn a 20% profit margin on selling price _____ is the profit marks up on cost which will achieve the required profit margin?
- (A) 33% (B) 25%
(C) 20% (D) None of these
58. From the following details calculate net sales to be shown in trading and profit loss A/c.
Total sales of `210,000 includes the following.
- (i) Credit sales of `65,000
(ii) Goods sent to consignee of `25,000
(iii) Sale of old office equipment `5,000
Goods sent on sale or return basis `10,000
- (A) `170,000 (B) `185,000
(C) `165,000 (D) `145,000
59. Vimal of Kanpur consigned to his agent Nirmal of Allahbad 100 machines at `500 each. He paid the following expenses packing charges `20 per machine, forwarding charges `400 and freight `600. Nirmal received the consignment and paid `600 for cartage and Octroi. He also paid `500 for godown charges. He sold 60 machines @ 700 per machine. He was entitled to a commission of 6%. Profit on consignment will be
- (A) `6,820 (B) `6,800
(C) `6,000 (D) None of these
60. Which of the following statements is true in case of Joint Venture?
- (A) The Joint Venture can be formed by a single person only. (B) A legal deed should be drafted before forming Joint Venture
(C) The profit is shared between the ventures in agreed ratio (D) Joint Venture follows going concern concept
61. His customers endorsed in his favour bills of exchange of `30,000 accepted by him in favour of his suppliers, the entry will be(IN THE BOOKS OF ENDORSEE):
- (A) Supplier a/c Dr. To Bills Payable a/c (B) Bills Payable a/c Dr. To Customer a/c
(C) Bills payable a/c Dr. To bills receivable a/c (D) Supplier a/c Dr. To Bills receivable a/c
62. Rahim draws a bills on Ram. Ram accepts the bill. Rahim endorse the bill to Salim. In books of Rahim which account is to be debited at the time of such endorsement?
- (A) Ram (B) Rahim
(C) Salim (D) None
63. Mr. X sends the goods costing `55,000 on approval basis. Goods of `5,000 were damaged in transit and claim of 3,000 was received. The amount of goods sent on approval to Mr. Y is :-
- (A) `57,000 (B) `53,000
(C) `52,000 (D) `50,000
64. A,B,C,D are partners sharing their profits and losses equally. They change their profit sharing ratio to 2:2:1:1. How much will C sacrifice?
- (A) 1/6 (B) 1/12
(C) 1/24 (D) None
65. The capital of B and D is `60,000 and `30,000 respectively with the profit sharing ratio 3 : 1. The new ratio, admissible after 1st April 2009 is 5 : 3. Goodwill valued at `80,000 will be credited to B and D's capital by –
- (A) `60,000 and `20,000 (B) `50,000 and `30,000
(C) `50,000 and `80,000 (D) None of the above
66. The balance of Memorandum Revaluation Account (second part) is transferred to the capital accounts of the partners in:
- (A) Capital ratio (B) Old profit sharing ratio
(C) New profit sharing ratio (D) Equal ratio
67. Equity shareholders have a right to :
- (A) Vote (B) 20% dividend
(C) Have preference on redemption (D) All of the above

68. The under noted balance were extracted from the ledger of Zee Ltd. 10% Preference shares:	
10,000 shares of ₹100 each, fully called up	10,00,000
Less: Calls unpaid at ₹25 per share	5,000
	9,95,000

What is the maximum redemption of preference share which can be made now:

- (A) ₹9,95,000 (B) ₹10,00,000
 (C) ₹9,80,000 (D) ₹7,50,000
69. ABC Ltd forfeited 20 shares of ₹10 each, ₹8 called up, on which X paid application and allotment money of ₹2 and ₹3 respectively. These shares were re-issued to Y at ₹6 fully paid. What was the balance in share forfeiture account before shares were re-issued?
 (A) ₹40 (B) ₹60
 (C) ₹100 (D) ₹160
70. When debentures are issued at par, but are redeemable at premium, the entry is:
 (A) Bank Account Dr. To debentures
 To Premium on redemption of debentures
 (B) Bank Account Dr. To debentures
 To Loss on the issue of debentures
 (C) Bank Account Dr. Loss on the issue of debentures Dr.
 To debentures
 To Premium on redemption of debentures
 (D) None of the above
71. Accounting is based on a careful and efficient _____ system
 (A) Book keeping (B) Recording
 (C) Classifying (D) Communicating
72. The ruling about _____ applies where a change in method could result in a change in profits.
 (A) Consistency (B) Accrual
 (C) Duality (D) Prudence
73. The _____ concept results from the accounting period concept.
 (A) Accrual (B) Duality
 (C) Materiality (D) Consistency
74. _____ refer to the general agreement on the usage and practices in social or economic life :
 (A) Accounting Assumptions (B) Accounting Conventions
 (C) Accounting Policies (D) Accounting Principles
75. A Furniture dealer during the financial year 2010-11, sold furniture of ₹25,000 to Mr. Sunil on cash basis. In the books of dealer _____ account will be debited and _____ account will be credited.
 (A) Cash, Fixed Assets (B) Cash, Furniture
 (C) Cash, Sales (D) Cash, Sunil's
76. The measurement base according to which Assets are carried at the amount of cash or cash equivalent that would have to be paid if the same or an equivalent asset was acquired currently is known as:
 (A) Historical Cost (B) Current Cost
 (C) Realizable Value (D) Present Value
77. Which of the following is not true for provision for doubtful debts?
 (A) It is shown as a deduction from the book value of debtors (B) It is for the current as well as future accounting period(s)
 (C) It shows the actual value of debtors (D) It is recorded at the end of the accounting period
78. Which of the following statement is correct?
 (A) All Entries except cash transactions can be recorded through Journal. (B) Ledger is a part of subsidiary book.
 (C) Purchase book records all the purchases (D) Bank column of cash book always has

whether cash or credit.

debit balance

79. **A list which contains balances of accounts to Know whether the Debit and credit balances are matched.**
- (A) Balance Sheet (B) Day Book
(C) Journal (D) Trial Balance
80. **Which of the following posting from cash book payments side is true?**
- (A) The total of the cash paid column to the credit of the cash account (B) The total of the discounts column to the credit of the discount received account
(C) The total of the discounts column to the debit of the creditors account. (D) The total of the cash paid column to the debit of the cash account.
81. **A opened an account with `5,000 on 3/12/09. He deposited `1,000 on 7/12/09. He withdraw `2,000 on 15/12/09 and deposited a cheque of `10,000 on 21/12/09. What is the balance on 31/12/09?**
- (A) `18,000 (B) `14,000
(C) `4,000 (D) None
82. **A difference on a trial balance was entered to a suspense account. It was later found that:**
(i) Rent paid `1,500 was entered on the credit side of the rent account
(ii) A payment of `840 for telephone was debited in the telephone account as `940
What is the total difference in the suspense account?
- (A) `1,400 Cr (B) 2,340 Dr
(C) `2,900 Dr (D) `3,840 Cr
83. **Which one of these is true about a bank reconciliation statement?**
- (A) It is a part of memorandum statement (B) It is a part of cash book
(C) It is a part of ledger (D) It is a part of bank document
84. **Which of the following information is not required for calculating depreciation by using the straight line method?**
- (A) The cost of the fixed asset (B) The estimated useful life
(C) The estimated residual value (D) The accumulated depreciation from the previous accounting periods
85. **A.....is that diminishes in value by reason of and commensurately with the extraction or removal of a natural resource.**
- (A) Fictitious assets (B) Wasting assets
(C) Goodwill (D) Tangible assets
86. **On 1 September, 2006 Laxman took out a business development loan from HDFC Bank of `3,00,000. This loan is to be repaid in 10 equal six monthly installments. Laxman made the first repayment of `30,000 on 1 March, 2007. How should outstanding balance of `2,70,000 be shown in the Balance Sheet of Laxman as at 31 March, 2007 ?**

	Current Liability	Non-current Liability
A	Nil	`2,70,000
B	`60,000	`2,10,000
C	`2,10,000	`60,000
D	`2,70,000	Nil

87. **Tick the false statement**
- (A) If the consignee is allowed *del credere* commission he bears the bad debt loss (B) Consignment A/c is a nominal A/c
(C) All direct and indirect expenses are included in valuation of closing stock (D) Closing stock lying with the consignee belongs to the consigner
88. **When each co-venturer open their own account, material sent or expenses incurred on Joint venture by a co-venturer will be**
- (A) Credited to Joint venture with other A/c (B) Debited to Joint venture with other A/c
(C) Debited to general profit and loss A/c (D) Credited to general profit and loss A/c

89. Vijay agreed to receive a sum of ₹500 from Ajay by a post dated cheque and two promissory notes – one at one month for ₹1,500 and the other at 3 months for ₹1,000 in full settlement. Both the promissory notes & cheque were dishonoured due to Ajay's insolvency. Vijay could recover 30% of the amount due from him. The amount recovered is:
- (A) ₹600 (B) ₹450
(C) ₹1,050 (D) ₹900
90. X Ltd. sends out its gas stoves to dealers on sale or return. All such transactions are, however, treated like actual sales and are passed through the day book. Just before the end of the financial year, 100 stoves, which cost them ₹1,500 each, are sent to a dealer on sale or return and are debited to a dealer on sale or return and are debited to his account at ₹2,000 each, out of which only 20 stoves are sold up to the end of the accounting year. After adjustment, the sale
- (A) Will be increased by ₹1,60,000 (B) Will be reduced by ₹2,00,000
(C) Will be reduced by ₹1,60,000 (D) Will remain same
91. What account are debited and credited to record a partner's cash withdrawal in lieu of salary :
- (A) Salary a/c Dr (B) Partners Salary a/c Dr
To Cash a/c To Cash a/c
(C) Cash a/c Dr (D) Current account of partner Dr
To current account of partner To Cash a/c
92. A and B are partners sharing profits in the ratio of 5:3. C is admitted and is given 1/5 profit. He is unable to pay anything for goodwill which is valued at ₹40,000. The journal entry for goodwill will be :
- (A) Goodwill a/c Dr 8,000 (B) Goodwill a/c Dr 40,000
To A's Capital a/c 5,000 To A's Capital a/c 25,000
To B's Capital a/c 3,000 To B's Capital a/c 15,000
(C) Goodwill a/c Dr 8,000 (D) C's capital a/c Dr 8,000
To C's Capital a/c 8,000 Goodwill a/c 8,000
93. X and Y are sharing profits in ratio of 2:1. They admit Z into the firm with 1/4 share in profits for which he brings ₹12,000 as his share of capital. Hence the adjustment capital of Y will be:
- (A) ₹12,000 (B) ₹16,000
(C) ₹24,000 (D) ₹20,000
94. Amount credited to a retiring partner in his capital account is ₹2,01,000. He took over investment at ₹58,000. He also took over 20% of the debtors. The amount transferred to his loan account is ₹1,23,000. What is the total value of the debtors
- (A) ₹1,00,000 (B) ₹90,000
(C) ₹80,000 (D) ₹1,10,000
95. At the time of death of a partner if there is undistributed profit in the balance sheet of the firm, it
- (A) Will not be distributed amongst the partners (B) Will be distributed in the capital ratio
(C) Will be distributed amongst the surviving partners only (D) Will be distributed in the old profit sharing ratio amongst all the partners
96. Which of the following is not required to be made under statute?
- (A) Profit and loss account (B) Fund flow statement
(C) Balance sheet (D) None
97. Share application money shall not be less than:
- (A) 100% of the nominal amount of share (B) 50% of the nominal amount of share
(C) 25% of the nominal amount of share (D) 5% of the nominal amount of share
98. A company cannot issue
- (A) Redeemable Equity Shares (B) Redeemable Preference Shares
(C) Redeemable Debenture (D) Fully Convertible Debenture
99. Following are details of ABC Ltd:

Outstanding Redeemable preference shares

₹3,00,000

Premium on redemption	10%
General Reserve	₹1,50,000
Security Premium Balance	₹35,000

Fresh issue of shares to be made at par.

The face value of fresh issued shares will be:

- | | |
|---------------|---------------|
| (A) ₹1,66,667 | (B) ₹1,50,000 |
| (C) ₹1,85,000 | (D) ₹1,80,000 |

100. T Ltd. Has issued 15% debentures of ₹20,00,000 at a discount of 10% on April 01, 2004 and the company pays interest half-yearly on June 30 and December 31 every year. On March 31, 2006, the amount shown as "interest accrued but not due". In the Balance sheet will be:

- | | |
|---------------|---------------|
| (A) ₹75,000 | (B) ₹2,25,000 |
| (C) ₹1,50,000 | (D) ₹3,00,000 |