

CUET MOCK PAPER-1

Accounts

MAX. MARKS: 200

TIME ALLOWED: 2 HRS

General Instructions:

1. This question paper consists **45 questions** and you are required to attempt **40 questions**.
2. **5 marks** will be awarded for correct answer
3. **1 mark** will be deducted for wrong answer
4. **No mark** will be awarded for not attempted questions

Q1. Receipt & Payment A/c

As on 31st March 2022

| Receipt | Amount | Payment | Amount |
|---------------------------|--------|---------|--------|
| To Interest on Investment | 30,000 | | |
| | | | |

Opening balance of 5% Investment was ₹10,00,000

Calculate the amount of outstanding interest on investment to be shown in closing balance sheet.

| | |
|----------------------------|---------------------------------|
| (a) ₹ 30,000 on assts side | (b) ₹ 20,000 on liabilites side |
| (c) ₹ 40,000 on assts side | (d) ₹ 50,000 on liabilites side |

Q2. X, Y and Z were partners in the ratio of 5 : 3 : 2. However Z was given a guarantee that his share will not be less than ₹ 3,20,000 in any year. The firm earned profit of ₹ 20,00,000 during the year 2021-22. Amount of deficiency borne by

- (a) X ₹ 50,000 and Y ₹ 30,000
- (b) Only X ₹ 80,000
- (c) Only Y ₹ 80,000
- (d) X ₹ 40,000 and Y ₹ 40,000

Q3. Which one of the following is not the formula for the valuation of goodwill?

| | |
|--------------------------------------------------------------------------|---------------------------------------------|
| a. $\frac{\text{Super profit X } 100}{\text{number of years purchases}}$ | b. Super profit X number of years purchases |
| c. Average profit X number of years purchases | d. Capitalised value - capital employed. |

Q4. X, Y and Z are partners in the ratio 2:2:1. They changed their future profits ratio 3:2:1. Present value of goodwill calculated at Rs.60,000. For treatment of goodwill

| | |
|---------------------------------------------|---------------------------------------------|
| a. X (Dr) 6000, Y (Cr) 4000 and Z (Cr) 2000 | b. X (Dr) ₹ 4000, Y (Cr) 4000 |
| c. Y (Cr) 4000 and Z (Dr) 4000 | d. Y (Dr) 6000 and X (Cr) 2,000 Z (Cr) 4000 |

Q5. A and B are partners in the ratio 3:2 and they admitted C as a new partner for 1/4th share in the total profit of the firm for which C brings in Rs.50,000 as capital. A and B decided to keep their capital in the new ratio. The capital amount of A and B should be

| | |
|-------------------------------------|-----------------------------------|
| (a) A- Rs.1,00,000 and B- Rs.50,000 | (b) A- Rs.90,000 and B- Rs.60,000 |
| (c) A- Rs.1,10,000 and B- Rs.40,000 | (d) A- Rs.80,000 and B- Rs.60,000 |

Q6. A, B and C were partners in the ratio 5:3:2. C died and his share in current year profit up to date of death calculated at Rs.30,000. A and B decided to share future profits equally. Choose the correct option for the above treatment.

| | |
|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| (a) P&L Suspense A/c Dr. 30,000 To C's Capital A/c 30,000 | (b) B's Capital A/c Dr. 30,000 To C's Capital A/c 30,000 |
| (c) A's Capital A/c 15,000 B's Capital A/c 9,000 C's Capital A/c 6,000 To P&L Suspense A/c 30,000 | (d) None of the above |

Q7. Computer of Rs.20,000 is used to pay Y (a partner) as his remuneration for completing dissolution process. Choose the correct option

| | |
|-------------------------------------------------------------|------------------------------------------------------|
| (a) Realisation A/c Dr. 30,000 To Y's Capital A/c 30,000 | (b) Realisation A/c Dr. 30,000 To Cash A/c 30,000 |
| (c) Y's Capital A/c Dr. 30,000 To Realisation A/c 30,000 | (d) No entry |

Q8. From the following information calculate the amount of medicine to be shown in Income & Expenditure A/c for the year ended 31st March 2023.

| | 31st March 2022 | 31st March 2023 |
|-------------------------|-----------------|-----------------|
| Stock of medicine | 10,000 | 18,000 |
| Creditors for medicines | 10,500 | 20,000 |

Medicine purchased during the year ended 31st March 2023 was Rs. 1,00,000

| | |
|-----------------|-----------------|
| (a) Rs.92,000 | (b) Rs.1,1,000 |
| (c) Rs.1,08,000 | (d) Rs.1,00,000 |

Q9. A, B and C were partners in the ratio 1:2:2. On 1st April 2020, they decided to change the ratio 2:2:1. In last year balance sheet general reserve found at Rs.60000. Partner decided to carry general reserve in new balance sheet. For the above correct journal entry would be

| | |
|------------------------------------------|------------------------------------|
| a. A (Dr) Rs.12,000 and C (Cr) Rs.12,000 | b. B (Dr) Rs 12,000, C (Cr) 12,000 |
| c. A (Cr) Rs.12,000 and C (Dr) Rs.12,000 | d. A (Cr) Rs 12,000, B (Dr) 12,000 |

Q10. A and B are partners in the ratio 3:2. They divided net profit of Rs. 60,000 equally without providing interest on capital @ 10% p.a. Their fixed capitals were Rs. 1,00,000 each. The adjusting entry for the above omission of interest will be

| | |
|----------------------------------------------------------|----------------------------------------------------------|
| (a) A's Current A/c Dr 1,000 To B's Current A/c 1,000 | (a) B's Current A/c Dr 4,000 To A's Current A/c 4,000 |
| (c) A's Capital A/c Dr 4,000 To B's Capital A/c 4,000 | d) B's Capital A/c 4,000 To A's Capital A/c Dr 4,000 |

Q11. A, B and C are partners in a firm in the ratio 3:2:1, they admitted D for 1/6th share in total profit of the firm for which D brings 90,000 as capital and 30,000 as premium for goodwill. Amount of premium goes to C will be

| | |
|--------------|---------------|
| (a) Rs.4,500 | (b) Rs. 5,000 |
| (c) Rs.9,000 | (d) Rs.10,000 |

Q12. Dissolution expense borne by a firm and paid by a partner-X then

| | |
|----------------------------------------|-----------------------------------------------|
| (a) X's Capital A/c Dr. To Cash A/c | (b) Realisation A/c Dr. To X's Capital A/c |
| (c) Cash A/c Dr. To Realisation A/c | (d) X' Capital A/c Dr. To Cash A/c |

Q13. Amit and Sumit are partners in a business of producing coffee started on 1st October 2021. Amit withdrawn Rs. 40,000 bi monthly commencing from 31st October 2021 while Sumit withdrawn Rs. 60,000 quarterly commencing from 1st November 2021. Calculate interest on drawing for the year ended on 31st March 2022 with rate of interest 12%.

| | |
|--------------------------------------|----------------------------------------|
| (a) Amit Rs. 7,200 & Sumit Rs. 3,600 | (b) Amit Rs. 14,400 & Sumit Rs. 14,400 |
| (c) Amit Rs. 3,600 & Sumit Rs. 3,600 | (d) Amit Rs. 14,400 & Sumit Rs. 7,200 |

Q14. A and B are partners in the ratio 3:2. They admit C for 1/5th share in the total profits of the firm of which he gets 3/5th from A and remaining from B. Present value of goodwill found at Rs. 45,000. C brings his share of goodwill. For the treatment of goodwill B's capital account will be

| | |
|--------------------------|---------------------------|
| (a) Credit by Rs. 3,600 | (b) Credited by Rs. 5,400 |
| (c) Debited by Rs. 5,400 | (d) Debited by Rs. 3,600 |

Q15. Receipt & Payment A/c

As on 31st March 2023

| Receipt | Amount | Payment | Amount |
|-----------------|--------|---------|--------|
| To Subscription | | | |
| 2022 ----- | 1,000 | | |
| 2023 ----- | 40,000 | | |
| 2024 ----- | 500 | | |
| | 41,500 | | |

O/s Subscription for the year ending 31st March 2022 Rs.1,500 and for the year ending 31st March 2023 Rs.2,000.

Advance Subscription received during the year 2021-22 Rs.100 for the year 2022-23

Amount of subscription credited to Income & Expenditure will be

| | |
|---------------|----------------|
| (a) Rs.42,000 | (b) Rs.41,500 |
| (c) Rs.43,000 | (d) Rs. 44,500 |

Q16. Which one of the following is incorrect?

| | |
|---------------------------------------------------------------------|---------------------------------------------------------------------|
| a. capitalised value = Average profit X (100)/normal rate of return | b. Normal profit = capital employed × (normal rate of return) / 100 |
| c. capital employed = Total tangible asset - outside liabilities | d. super profit = Normal profit - Average profit |

Q17. Stock of rupees 1,10,000 appeared in the balance sheet at the time of admission of a new partner but it was found overvalued by 10%. Amount of stock transfer to revaluation account will be

| | |
|---------------------------|-------------------------|
| (a) Rs.10,000 Debit Side | (b) Rs.9,900 Debit Side |
| (c) Rs. 11,000 Debit Side | (d) 10,000 Credit Side |

Q18. A, B and C were partners in the ratio 5 : 3 : 2. On 30 June 2022, B retired. On that day following was the extracted from the balance sheet.

| Liabilities | Amount | Assets | Amount |
|-------------|--------|--------------------------|--------|
| | | Debtors 40,000 (-) | |
| | | Prov. For Bad Debt 2,000 | 38,000 |

Adjustments: Bad found at 2,200. Amount of bad debts to be shown in revaluation account would be

| | |
|-----------|-----------|
| (a) 4,200 | (b) 200 |
| (c) 2,000 | (d) 2,200 |

Q19. M, N & O are partners sharing profits in the ratio 2:2:1 closing books on 31st March every year. N died on 30th June 2020. His share in current year profit is calculated on the basis of last 3 years average profit + 10%.

| Year | Profit | Loss |
|------|----------|------|
| 2018 | 2,20,000 | |
| 2019 | 20,000 | |
| 2020 | 4,00,000 | |

Calculate N's share and choose the correct option

| | |
|---------------|---------------|
| (a) Rs.62,000 | (b) Rs.58,000 |
| (c) Rs.60,200 | (d) Rs.60,000 |

Q20. There were machinery worth Rs.1,00,000. Half of the furniture taken by a partner- Z at 20% less than the book value and remaining half used to pay creditor of Rs.80,000 in full settlement. Choose the correct option.

| | | | |
|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| (a) Realisation A/c To Z's capital | Dr. 80,000 A/c 80,000 | (b) Realisation A/c To Z' Capital | Dr. 40,000 A/c 40,000 |
| (c) Realisation A/c To Z's capital | Dr. 50,000 A/c 50,000 | (d) Z's capital To Realisation A/c | Dr. 40,000 40,000 |

Q21. Interest on debentures issued as a collateral security is paid on

| | |
|---------------------------------|---------------------------------|
| (a) Nominal value of debentures | (b) Paid up value of debentures |
| (c)Face value of debentures | (d) No interest is paid |

Q22. Which of the following type of security can be issued at discount as per Companies Act, 2013

- (1) Equity Shares
- (2) Sweat Equity Shares
- (3) Preference Shares
- (4) Debentures
- (5) Bonds

Select the correct answer from the options given below -.....

| | |
|--------------------|-------------------------|
| (a) (1) & (3) only | (b) (1), (3) & (4) only |
|--------------------|-------------------------|

| | |
|-------------------------|-------------------------|
| (c) (2), (4) & (5) only | (d) (3), (4) & (5) only |
|-------------------------|-------------------------|

Q23. Securities Premium can't be applied:

| | |
|-----------------------------------------------------|-----------------------------------------------------|
| (a) For issuing bonus shares to members | (b) For writing off preliminary expenses of company |
| (d) For writing off discount on issue of debentures | (d) For paying dividend to members |

Q24. A company issued 8,000 equity shares of ₹100 each at par payable as to: ₹40 on the application; ₹50 on the allotment and ₹10 on call. Applications were received for 10,000 shares. The allotment was made on pro-rata. How much amount will be received in cash on allotment?

| | |
|---------------|---------------|
| (b) ₹1,20,000 | (c) ₹3,20,000 |
| (a) ₹2,50,000 | (d) ₹1,50,000 |

Q25. Issued 10,000, 8% debentures of ₹100 each at a premium of 10%, redeemable at a premium of 5%. In such case:

| | |
|----------------------------------------------|-------------------------------------------------------|
| (a) Loss on Issue will be debited by ₹50,000 | (b) Loss on Issue will be debited by ₹20,000 |
| (c) Loss on Issue will be debited by ₹80,000 | (d) Premium on Redemption will be credited by ₹20,000 |

Q26. Profit on cancellation of own debentures is transferred to

| | |
|--------------------------|--------------------------------------|
| (a) Capital reserve a/c. | (b) Profit & loss a/c. |
| (c) General reserve a/c. | (d) Profit & loss appropriation a/c. |

Q27. Loss on sale of Debenture Redemption Fund Investment account must be set-off against -.....

| | |
|---------------------------|-----------------------------|
| (a) Sinking fund account | (b) General reserve account |
| (c) Profit & loss account | (d) All of the above |

Q28. A company should transfer to Debenture Redemption Reserve A/c at least what percent of the amount of debentures issued before the commencement of redemption of debentures-

| | |
|----------|---------|
| (a) 100% | (b) 15% |
| (c) 50% | (d) 25% |

Q29. A company purchased a Building for ₹12,00,000 out of which ₹2,00,000 were paid in cash. The Balance amount was paid by the issue of equity shares of ₹10 each at a 25% premium. How many shares will be issued by the company?

| | |
|---------------------|-------------------|
| (a) 1,20,000 Shares | (b) 96,000 Shares |
| (c) 1,00,000 Shares | (d) 80,000 Shares |

Q30. Which shareholders have a right to receive the arrears of dividend from future profits?

| | |
|-------------------------------------|--------------------------------------|
| (a) Cumulative Preference Shares | (b) Non-Cumulative Preference Shares |
| (c) Participating Preference Shares | (d) Redeemable Preference Shares |

Q31. From the following information calculate the amount of rent paid to be shown in Income & Expenditure A/c for the year ended 31st March 2023.

| | 31st March 2022 | 31st March 2023 |
|---------------------------------------------------------------|-----------------|-----------------|
| O/s Rent | 18,000 | 15,000 |
| Prepaid Rent | 20,000 | 25,000 |
| Rent paid during the year (1st April 2022 to 31st March 2023) | | 1,30,000 |

| | |
|---------------|-----------------|
| (a) Rs.92,000 | (b) Rs.1,12,000 |
| (c) Rs.98,000 | (d) Rs.1,22,000 |

Q32. From the following information calculate the amount of medicine to be shown in Income & Expenditure A/c for the year ended 31st March 2023.

| | 31st March 2022 | 31st March 2023 |
|-------------------------|-----------------|-----------------|
| Stock of medicine | 28,000 | 20,000 |
| Creditors for medicines | 15,000 | 18,000 |

Medicine purchased during the year ended 31st March 2023 was Rs. 2,00,000

| | |
|----------------|---------------|
| (a) ₹1,95,000 | (b) ₹1,92,000 |
| (c) ₹ 2,06,000 | (d) ₹2,03,000 |

Q33. Receipt & Payment A/c

As on 31st March 2023

| Receipt | Amount | Payment | Amount |
|-----------------|----------|---------|--------|
| To Subscription | | | |
| 2022 ----- | 1,800 | | |
| 2023 ----- | 1,50,000 | | |
| 2024 ----- | 1,500 | | |
| | 53,300 | | |

O/s Subscription as at 31st March 2022 Rs.1,000 and as at 31st March 2023 Rs.2,000

Advance Subscription received during the year 2021-22 Rs.800 for the year 2022-23.

Amount of subscription credited to Income & Expenditure will be

| | |
|----------------|---------------|
| (a) ₹ 1,55,100 | (b) ₹1,55,300 |
| (c) ₹1,50,800 | (d) ₹1,53,500 |

Q34. Which of the following is not shown under the heading 'Share Capital' in a Balance Sheet:

| | |
|---------------------|------------------------|
| (a) Reserve Capital | (b) Authorised Capital |
| (c) Issued Capital | (d) Subscribed Capital |

Q35. Which of the following is not a method of writing off discount on issue of debentures

| | |
|-------------------------------------|-----------------------------------|
| (a) Adjusted discount policy method | (b) Fluctuating instalment method |
| (c) Fixed instalment method | (d) None of the above |

Q36. Find the amount of match fund will be shown in the closing balance sheet from the following information

| Particulars | Debit | Credit |
|-----------------------------------|--------|----------|
| Match Fund | | 2,90,000 |
| Match Fund Investment | 72,000 | |
| Match Fund Bank Balance | 3,500 | |
| Interest on Match Fund Investment | | 2,880 |
| Match Expenses | 5,500 | |

| | |
|----------------|----------------|
| (a) ₹ 2,77,380 | (b) ₹ 3,97,380 |
| (c) ₹ 2,97,380 | (d) ₹ 2,87,380 |

Q37.

| Particulars | 2021 | 2020 |
|-----------------------|----------|--------|
| Current Liabilities | | |
| (a) Provision for Tax | 1,00,000 | 70,000 |

Adjustments:

Tax paid during the year Rs.1,00,000.

Amount of tax provided will be

| | |
|----------------------------------------------|-----------------------------------------------------|
| (a) Added to Operating Activities ₹.1,30,000 | (b) Subtracted from Operating Activities ₹.1,30,000 |
| (c) Added to Investing Activities ₹ 1,30,000 | (d) Subtracted from Investing Activities ₹.70,000 |

Q38. Sales Rs. 25,00,000; Other Current Assets Rs.7,60,000; Cost of goods sold Rs.19,00,000; Fixed Assets Rs.14,40,000; Net profit Rs.3,50,000; Net worth Rs. 15,00,000; Inventory Rs.8,00,000; Debt Rs. 9,00,000; Current Liabilities Rs. 6,00,000. Calculate Working Capital Turnover ratio

| | |
|----------------|----------------|
| (a) 12.5 Times | (b) 8.5 Times |
| (c) 15.5 Times | (d) 10.5 Times |

Q39. Credit revenue from operation of P.K.Limited during the year were ₹1,80,000. If Trade Receivable Turnover Ratio is 4 times, calculate the trade receivable in the beginning and at the end of the year. You are informed that closing debtors are two times in comparison to opening debtors.

| | |
|------------------------------------------------------|------------------------------------------------------|
| (a) TR in beginning= ₹15,000 TR at end= ₹ 30,000 | (b) TR in beginning= ₹ 30,000 TR at end= ₹ 60,000 |
| (c) TR in beginning= ₹ 10,000 TR at end= ₹ 20,000 | (d) TR in beginning= ₹ 20,000 TR at end= ₹ 40,000 |

Q40.

Receipt & Payment A/c

As on 31st March 2022

| Receipt | Amount | Payment | Amount |
|---------------------------|--------|---------|--------|
| To Interest on Investment | 32,000 | | |
| | | | |

Opening balance of 10% Investment was Rs.5,00,000

Calculate the amount of interest on investment to be shown in Income & Expenditure A/c.

| | |
|-------------------------|--------------------------|
| (a) ₹18,000 debit side | (b) ₹ 18,000 debit side |
| (c) ₹ 50,000 debit side | (d) ₹ 50,000 credit side |

Q41.

| Particulars | 2021 | 2020 |
|-------------------------------------------------------|----------|----------|
| Non-Current Assets | | |
| (a) Property, Plant & Equipment and Intangible Assets | | |
| Property, Plant & Equipment (Plant & Machinery) | 1,00,000 | 1,50,000 |
| (-) Provision for Depreciation | (30,000) | (25,000) |
| | 70,000 | 55,000 |

Adjustments:

During the year a piece of machinery sold at profit of Rs. 8,000, on which depreciation provided Rs.15,000. Amount of depreciation transferred to cash flow statement will be

Amount of

| | |
|---------------------------------------------|---------------------------------------------|
| (a) Rs.20,000 added to investing activities | (b) Rs.10,000 added to investing activities |
| (c) Rs.20,000 added to operating activities | (d) Rs.10,000 added to operating activities |

Q42.

| Particulars | 2021 | 2020 |
|-------------------------------------------------------|----------|----------|
| Non-Current Assets | | |
| (a) Property, Plant & Equipment and Intangible Assets | | |
| Property, Plant & Equipment (Plant & Machinery) | 2,00,000 | 2,20,000 |

Adjustments:

Rs.50,000, X% Debentures issued at 10% premium against purchase of machinery as purchase consideration price. The amount of depreciation on machinery will be

| | |
|---------------------------------------------|---------------------------------------------|
| (a) Rs.65,000 added to operating activities | (b) Rs.70,000 added to operating activities |
| (c) Rs.65,000 added to operating activities | (d) Rs.75,000 added to operating activities |

Q43. Calculate 'Return on Capital Employed' from the following details:

Gross Profit ₹2,70,000; Administration Expenses ₹60,000; Selling Expenses ₹30,000; 12% Long-Term Debts ₹2,00,000; Tax Rate 40%; Fixed Assets ₹ 6,00,000; Current Assets ₹ 2,00,000; and Current Liabilities ₹50,000.

| | |
|---------|---------|
| (a) 24% | (b) 21% |
| (c) 23% | (d) 20% |

Q44.

Receipt & Payment A/c

As on 31st March 2022

| Receipt | Amount | Payment | Amount |
|------------------------------------|--------|-------------|----------|
| To Computer (Book Value 20,000) | 22,000 | By Computer | 1,20,000 |
| | | | |

Adjustment:-

Opening balance of computer was Rs. 4,00,000 and closing balance of computer was Rs. 4,30,000
Find the amount of depreciation to be shown in Income & Expenditure A/c.

| | |
|---------------|---------------|
| (a) Rs.60,000 | (b) Rs.92,000 |
| (c) Rs.88,000 | (d) Rs.70,000 |

Q45. If debentures of ₹1,80,000 issued in consideration of net assets of ₹2,00,000, the balancing amount of Rs.20,000 will be

| | |
|----------------------------------|-----------------------------------------|
| (a) debited to goodwill account | (b) debited to capital reserve account |
| (c) credited to goodwill account | (d) credited to capital reserve account |

Answer Key-CUET- MOCK TEST PAPER- 1 - MM 40

| | | | | | | | | | |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1 (d) | 2 (a) | 3 (a) | 4 (a) | 5 (b) | 6 (b) | 7 (d) | 8 (a) | 9 (a) | 10 (b) |
| 11 (b) | 12 (b) | 13 (b) | 14 (a) | 15 (a) | 16 (d) | 17 (a) | 18 (b) | 19 (d) | 20 (d) |
| 21 (d) | 22 (c) | 23 (d) | 24 (c) | 25 (a) | 26 (a) | 27 (a) | 28 (d) | 29 (d) | 30 (a) |
| 31 (d) | 32 (a) | 33 (a) | 34 (a) | 35 (a) | 36 (d) | 37 (a) | 38 (a) | 39 (b) | 40 (d) |
| 41 (c) | 42 (d) | 43 (a) | 44 (d) | 45 (d) | | | | | |



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