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Time : 1 Hour

FIRST-TERM

ACCOUNTANCY

Subject Code

V	4	2	2	5
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Total No. of Questions : 20 (Printed Pages : 7)

Maximum Marks : 20

- INSTRUCTIONS :**
- (i) All questions are compulsory.
  - (ii) Use of non-scientific calculator is permitted.
  - (iii) Write the number of each question clearly on the answer-book.
  - (iv) Figures to the right indicate full marks.
  - (v) Every question has four choices A, B, C and D and only one of them is the correct answer.
  - (vi) On the OMR sheet darken completely with a ball point pen ONLY ONE bubble you consider as the most appropriate answer.
  - (vii) Multiple markings are invalid.
  - (viii) Use Blue or Black ball point pen only.
  - (ix) Do not fold the OMR sheet or use white ink.
  - (x) For each question, you will be awarded ONE mark, if you have darkened only the bubble corresponding to the correct answer. In all other cases, you will get zero mark. **There is no negative mark.**
  - (xi) Once the bubble is filled it is not possible to change the answer.
  - (xii) Only one **OMR** sheet will be provided. Hence sufficient care must be taken while darkening the bubble.

1. Diminution or decrease in the value of fixed asset is called as ..... 1
- (A) Appreciation
  - (B) Depreciation
  - (C) Scrap value
  - (D) Written down value
2. The method of depreciation which is suitable for assets like copyrights is ..... 1
- (A) Depletion Method
  - (B) Reducing Balance Method
  - (C) Revaluation Method
  - (D) Fixed Instalment Method
3. Profit on sale of asset is debited to ..... 1
- (A) Depreciation Account
  - (B) Bank Account
  - (C) Asset Account
  - (D) Profit and Loss Account
4. The method of depreciation suitable for assets like long-term lease is ..... 1
- (A) Annuity Method
  - (B) Insurance Policy Method
  - (C) Written Down Value Method
  - (D) Fixed Instalment Method

5. When all adjustments with regards to salary, commission, interest on capital are made to partners' capital account only, the method of capital account is known as ..... 1
- (A) Fixed capital account method
- (B) Straight line method
- (C) Reducing balance method
- (D) Fluctuating capital account method
6. The maximum number of partners in a partnership for carrying on Bakery business is ..... 1
- (A) 02
- (B) 07
- (C) 10
- (D) 20
7. In absence of the partnership deed, partners are charged with interest on drawings at the rate of ..... 1
- (A) Nil
- (B) 5%
- (C) 6%
- (D) 10%

8. As per Indian Partnership Act 1932, the liability of partners is ..... 1
- (A) Limited
  - (B) Limited to the amount mentioned
  - (C) Unlimited
  - (D) Limited to capital contribution
9. Carriage Inward appearing in the trial balance will be shown on ..... 1
- (A) Credit side of Trading Account
  - (B) Debit side of Trading Account
  - (C) Credit side of Profit & Loss Account
  - (D) Debit side of Profit & Loss Account
10. Debit balance in Profit & Loss Account represents ..... 1
- (A) Gross loss
  - (B) Gross profit
  - (C) Net loss
  - (D) Net profit
11. The effect of adjustment 'Depreciation on Machinery' to be shown in final accounts in ..... 1
- (A) Profit & Loss Account and Balance Sheet
  - (B) Trading Account and Balance Sheet
  - (C) Profit & Loss Account
  - (D) Trading Account

12. The accounting treatment for adjustment on 'Uninsured Goods Destroyed by Fire' in final accounts is shown in ..... 1
- (A) Trading Account
- (B) Profit & Loss Account
- (C) Trading Account and Balance Sheet
- (D) Trading Account and Profit & Loss Account
13. A limited liability partnership is governed by the provisions of ..... 1
- (A) The Companies Act, 2013
- (B) The Limited Liability Partnership Act, 2008
- (C) The Co-operative Societies Act, 1912
- (D) The Indian Partnership Act, 1932
14. Total profits of a firm for the last five years amounted to Rs. 1,40,000, hence the average profit for the same will be ..... 1
- (A) Rs. 23,000
- (B) Rs. 27,000
- (C) Rs. 28,000
- (D) Rs. 35,000

15. The profit on revaluation of assets and liabilities at the time of admission of a partner is shared by old partners in ..... 1
- (A) Sacrifice Ratio
  - (B) Old Ratio
  - (C) New Ratio
  - (D) Gain Ratio
16. When goodwill is brought in cash by the new partner, in case of admission of a partner, the account to be debited is ..... 1
- (A) Cash Account
  - (B) Goodwill Account
  - (C) New Partner's Capital Account
  - (D) Old Partner's Capital Account
17. Decrease in the amount of liability on admission of a partner is shown on ..... 1
- (A) Credit side of Revaluation Account
  - (B) Debit side of Revaluation Account
  - (C) Credit side of Partner's Capital Account
  - (D) Debit side of Partner's Capital Account

18. The ratio in which the old partners have agreed to contribute their share of profit in favour of incoming partner is known as ..... 1
- (A) Gain Ratio
  - (B) New Ratio
  - (C) Sacrifice Ratio
  - (D) Old Ratio
19. Voluntary exit of a partner from the partnership firm is called as ..... 1
- (A) Admission of a partner
  - (B) Retirement of a partner
  - (C) Death of a partner
  - (D) Insolvency of a partner
20. Ajay, Vijay and Sanjay are partners sharing profits and losses in the ratio of 3 : 2 : 1. Vijay retires from the firm, then the new ratio between Ajay and Sanjay will be ..... 1
- (A) 2 : 3
  - (B) 2 : 1
  - (C) 3 : 2
  - (D) 3 : 1