CUET (UG)

Accountancy Sample Paper - 5

Solved

Time Allowed: 45 minutes **Maximum Marks: 200**

General Instructions:

1. The test is of 45 Minutes duration.
2. The test contains 50 questions out of which 40 questions need to be attempted.
3. Marking Scheme of the test:

a. Correct answer or the most appropriate answer: Five marks (+5).
b. Any incorrectly marked option will be given minus one mark (-1).
c. Unanswered/Marked for Review will be given zero mark (0).

Attempt any 40 questions

1. E, F and G share profits in the ratio of 4 : 3 : 2. G is given a guarantee that his share of profits will not be less than ₹ 75,000. Deficiency if any, would be borne by E and F equally Firm's profit was ₹ 2,70,000. F's share of profit will be: **[5]**

a) ₹ 75,000 b) ₹ 90,000

c) ₹ 82,500 d) ₹ 97,500

2. A, B and C are partners sharing profits in the ratio of 4 : 3 : 2. A is given a guarantee that his share of profits will not be less than ₹ 1,25,000 p.a. Profit at the end of the year is ₹ 2,70,000. Deficiency if any, would be borne by B and C equally. **[5]**
B's share of profit after meeting deficiency (if any) will be:

a) 90,000 b) 87,500

c) 92,500 d) 87,000

3. Excess amount that a firm gets over and above the market value of assets at the time of sale of its business is: **[5]**

a) super profit b) goodwill

c) reserve d) profit

4. Yogesh and Raja are partners sharing profits and losses in the ratio 4 : 1. Meeta was manager who received the salary of ₹ 4,000 p.m. in addition to a commission of 5% on net profits after charging such commission. Profit for the year is ₹ 6,78,000 before charging salary. Find the total remuneration of Meeta. **[5]**

a) ₹ 76,000 b) ₹ 78,000

c) ₹ 87,000 d) ₹ 88,000

5. Vinod, Pramod and Amit were partners sharing profits in the ratio of 2 : 2 :1 . They decided to share future profits in the ratio of 7 : 5 : 3 with effect from 1st April, 2019. After the revaluation of assets and re-assessment of liabilities, revaluation account showed a loss of ₹ 15,000. The amount to be debited in the capital account of vinod because of loss on revaluation will be: **[5]**

a) ₹ 6,000 b) ₹ 15,000

c) ₹ 7,000 d) ₹ 5,000

6. Which of the following is responsible for the Reconstitution of Partnership? **[5]**

a) Change in the value of Debtors b) Both Change in existing profit sharing ratio and Retirement/death of a partner

c) Change in existing profit sharing ratio d) Retirement/death of a partner

7. Match the followings: **[5]**

(a) Old Ratio - New Ratio	(i) Gaining Ratio
(b) New Ratio - old ratio	(ii) Nil
(c) Goodwill appeared in balance sheet	(iii) Old ratio
(d) Workmen compensation reserve 10,000; Workmen compensation claim 10,000	(iv) Sacrificing Ratio

a) (a) - (iv); (b) - (i); (c) - (iii); (d) - (ii) b) (a) - (iii); (b) - (i); (c) - (ii); (d) - (iv)

c) (a) - (ii); (b) - (iii); (c) - (iv); (d) - (i) d) (a) - (iii); (b) - (i); (c) - (iv); (d) - (ii)

8. A, B and C were partners in a firm sharing profits and losses in the ratio of 4 : 3 : 2. The partners decide to share future profits and losses in the ratio of 2 : 2 : 1. Each partner's gain or sacrifice due to change in the ratio will be: **[5]**

a) Gain A $\frac{2}{45}$; Sacrifice B $\frac{3}{45}$; Gain C $\frac{1}{45}$ b) Gain A $\frac{2}{45}$; Gain B $\frac{1}{45}$; Sacrifice C $\frac{3}{45}$

c) Sacrifice A $\frac{2}{45}$; Sacrifice B $\frac{1}{45}$; Gain C $\frac{3}{45}$ d) Sacrifice A $\frac{2}{45}$; Gain B $\frac{3}{45}$; Sacrifice C $\frac{1}{45}$

9. A, B and C are partners in a firm sharing profits in the ratio of 3 : 4 : 1. They decided to share profits equally w.e.f. 1st April, 2023. On that date the Profit and Loss Account showed the credit balance of ₹ 96,000. Instead of closing the Profit and Loss Account, it was decided to record an adjustment entry reflecting the change in profit sharing ratio. In the journal entry: **[5]**

a) Cr. A by ₹ 16,000; Cr. B by ₹ 4,000; Dr. C by ₹ 20,000

b) Cr. A by ₹ 4,000; Cr. B by ₹ 16,000; Dr. C by ₹ 20,000

c) Dr. A by ₹ 4,000; Dr. B by ₹ 16,000; Cr. C by ₹ 20,000

d) Dr. A by ₹ 16,000; Dr. B by ₹ 4,000; Cr. C by ₹ 20,000

10. The incoming partner cannot acquire his share of profits: **[5]**

a) From one or more partners (not from all partners)

b) From the old partners in their old profit sharing ratio

c) From the old partners in their new profit sharing ratio

d) From the old partners in some agreed ratio

11. A and B are in partnership sharing profits in the ratio of 3 : 2. They take C as a new partner. Goodwill of the firm is valued at ₹ 3,00,000 and C brings ₹ 30,000 as his share of goodwill in cash which is entirely credited to the Capital Account of A. New profit sharing ratio will be: **[5]**

a) 5 : 4 : 1

b) 6 : 3 : 1

c) 4 : 5 : 1

d) 3 : 2 : 1

12. M and N are partners sharing profits in the ratio of 5:3. They admit Q as a new partner for 20% share in the future profits of the firm.
New profit sharing ratio: **[5]**

a) 3 : 2 : 1

b) 1 : 1 : 1

c) 5 : 3 : 2

d) 5 : 3 : 3

13. Ananya and Shradha were partners in a firm. Their Balance Sheet showed Furniture at ₹ 2,00,000; Stock at ₹ 1,40,000; Debtors at ₹ 1,62,000 and Creditors at ₹ 60,000. Square was admitted and new profit-sharing ratio was agreed at 2 : 3 : 5. Stock was revalued at ₹ 1,00,000, Creditors of ₹ 15,000 are not likely to be claimed, Debtors for ₹ 2,000 have become irrecoverable and Provision for doubtful debts to be provided @ 10%.
Ananya's share in loss on revaluation amounted to ₹ 30,000. Revalued value of Furniture will be: **[5]**

a) ₹ 2,17,000

b) ₹ 3,03,000

c) ₹ 1,83,000 d) ₹ 1,03,000

14. X, Y and Z are partners sharing profits and losses in the ratio of 8 : 7 : 5. Z retires and his share was taken equally by X and Y. Find the new profit sharing ratio of remaining partners. **[5]**

a) 21 : 19 b) 8 : 7

c) 7 : 5 d) 19 : 21

15. Gaurav, Sonu and Anita are partners in a firm sharing profits in the ratio of 4 : 3 : 2. Sonu retires and the balance in his capital account after making necessary adjustments on account of reserves, revaluation of assets and re-assessment of liabilities is ₹ 4,00,000. Gaurav and Anita agreed to pay him ₹ 4,60,000 in full settlement of his claim. Sonu's share of goodwill of the firm, on his retirement is: **[5]**

a) ₹ 1,20,000 b) ₹ 1,80,000

c) ₹ 60,000 d) ₹ 20,000

16. A, B and C are partners in the firm, sharing profits in the ratio of 2 : 2 : 1. Their Capital Accounts stand as ₹ 50,000, ₹ 50,000 and ₹ 25,000, respectively. B retired from the firm and balance in the reserve on that date was ₹ 15,000. If goodwill of the firm is ₹ 30,000 and profit on revaluation is ₹ 7,050, what amount will be transferred to B's Loan Account? **[5]**

a) ₹ 50,820 b) ₹ 70,820

c) 58,820 d) ₹ 8,820

17. At the time of dissolution of firm, **Loan of partners** (Loans given by partners to the firm) is paid out of the amount realised on sale of assets: **[5]**

a) After making the payment of balance of Capital Accounts of partners b) After making the payment of loans given by third party

c) Before the payment of loans given by third party d) Before making the payment of balance of Capital Accounts of partners

18. If Creditors are given ₹20,000 in the balance sheet. But nothing is mentioned under additional information about the payment of the same. How much amount will be paid to the creditors? **[5]**

a) Payment after 10% Discount b) No Payment to Creditors

c) Half Amount Rs.10,000 d) Full Amount ₹20,000

19. X, Y and Z are partners in a firm in the ratio of 4 : 3 : 2. On firm's dissolution, firm's total assets are ₹ 70,000, creditors are ₹ 15,000. Realisation expenses are ₹ 2,100. Assets realised 15% more than the book-value. Creditors were paid 2% more. For profit/loss on realisation, Y's capital account will be debited/credited with: **[5]**

a) Debit ₹ 2,400
b) Debit ₹ 2,700
c) Credit ₹ 2,700
d) Credit ₹ 8,100

20. The account which is prepared on dissolution of a partnership firm: **[5]**

a) Revaluation Account
b) Realisation Account
c) P & L Appropriation Account
d) Profit and Loss adjustment Account

21. Ankit Ltd. was registered with a capital of ₹ 3,00,000 in Equity Shares of ₹ 100 each. It issued 2,000 of such shares payable ₹ 25 per share on application; ₹ 25 on allotment; ₹ 20 on first call; and the balance as and when required. All amounts payable on application and allotments were duly received but company could not call the first call money till 31.03.2021. Total amount to be received by the company till 31.03.2021 is: **[5]**

a) 50,000
b) 1,00,000
c) 1,50,000
d) 75,000

22. Reserve capital is not a part of: **[5]**

a) Issued Capital
b) Authorised Capital
c) Unsubscribed Capital
d) Subscribed Capital

23. Which type of shares is not convertible? **[5]**

a) Equity Shares
b) Redeemable preference shares
c) Both Preference Shares and Equity Shares
d) Preference Shares

24. Monika Ltd. issued 50,000, 8% Debentures of ₹ 100 each at certain rate of premium and to be redeemed at 10% premium. At the time of writing off Loss on Issue of Debentures, Statement of Profit and Loss was debited with ₹ 2,00,000. At what rate of premium, these debentures were issued? **[5]**

a) 4%
b) 16%

c) 6% d) 10%

25. On 1st April, 2015. M Ltd. issued 10,000, 9% Debentures of ₹ 100 each at a discount of 5%, redeemable at a premium of 5%. These debentures were redeemable as follows: **[5]**
On 31st March, 2016 2,000 Debentures;
On 31st March, 2017 5,000 Debentures;
On 31st March, 2018 3,000 Debentures.
Calculate the Loss on Issue of Debentures to be written off of every years.

a) 31/3/2016 - 10,000
31/3/2017 - 25,000
31/3/2018 - 15,000

b) 31/3/2016 - 1,000
31/3/2017 - 2,500
31/3/2018 - 1,500

c) 31/3/2016 - 20,000
31/3/2017 - 50,000
31/3/2018 - 30,000

d) 31/3/2016 - 2,000
31/3/2017 - 5,000
31/3/2018 - 3,000

26. If we are purchasing assets from the vendor and in payment we are issuing debentures then which account should be credited while purchasing an asset? **[5]**

a) Assets A/c b) Debenture A/c

c) Vendor A/c d) % Debentures Account

27. Claims against the Company **not** acknowledged as debts is shown as **[5]**

a) Capital Commitments b) Current Liabilities

c) Contingent Liabilities d) Non-Current Liabilities

28. Under which heading the item **bills discounted but not yet matured** will be shown in the balance sheet of a company? **[5]**

a) Current Assets b) Contingent Liabilities

c) Current Liability d) Unamortised Expenditure

29. Trade investment appear in a company's balance sheet under the sub-head: **[5]**

a) Current Investment b) Short-term Loans and Advances

c) Non-current Investments d) Intangible Assets

30. Financial Statements are prepared on certain basic assumptions (pre-requisites) known as ________ **[5]**

a) Postulates b) Basis of Accounting

c) Provisions of Companies Act, 2013

d) Accounting Standards

31. Fixed Assets of a company increased from ₹ 8,00,000 to ₹ 10,00,000. The percentage change is **[5]**

a) 40%

b) 20%

c) 33.3%

d) 25%

32. Common Size financial statement is ---------------- **[5]**

a) Prepared by the Government

b) Calculation of Revenue from operations

c) Also known as Statement of P/L

d) Vertical Analysis of financial statements

33. Pick the odd one out: **[5]**

i. Horizontal Analysis
ii. Comparative Statement of Profit and Loss
iii. Comparative Balance Sheet
iv. Common-Size Balance Sheet

a) Option (i)

b) Option (ii)

c) Option (iii)

d) Option (iv)

34. Paid ₹ 5,00,000 to purchase shares of Shruti Ltd. and received dividend of ₹ 50,000 after purchase. These transactions will result in **[5]**

a) Cash Used in Investing Activities ₹ 4,50,000.

b) Cash generated from Financing Activities ₹ 5,50,000.

c) Cash Used in Investing Activities ₹ 5,00,000.

d) Cash generated from Financing Activities ₹ 4,50,000.

35. Payment of Income Tax is shown as: **[5]**

a) Investing Activities

b) Operating Activities

c) Financing Activities

d) General Activities

36. Which of the following item is not considered as Cash Equivalents? **[5]**

a) Short term Deposits in Bank

b) Treasury Bills

c) Commercial Papers

d) Investments

37. Calculate Purchase on Investment. The information is Opening balance of Investment - ₹ 2,50,000, closing balance Investment - ₹ 5,00,000, Sale - ₹ 1,37,500, Profit on sale - ₹ 12,500. **[5]**

a) ₹ 2,50,000

b) ₹ 3,75,000

c) ₹ 3,50,000

d) ₹ 2,75,000

38. Which of the following is not a capital receipt? **[5]**

a) Entrance fees

b) Life membership fee

c) Donations for tournament

d) Donations for building fund

39. Contribution received by a Non-profit organisation is shown in the statement of activities under the caption: **[5]**

a) None

b) Revenue

c) Both Revenue and Capital

d) Capital

40. Which of the following is Revenue Receipt **[5]**

a) Fresh capital introduced or additional capital introduced

b) Loan raised.

c) Amount received which is not is the normal and ordinary course of business like sale of fixed assets.

d) Income from non-operating business activities

41. Non-profit organizations prepare all of the following accounts except the **[5]**

a) Receipt and payment account

b) Income and expenditure account

c) Balance sheet

d) Income statement

42. Average profit of a firm during the last few years is ₹ 1,50,000. In similar business, the normal rate of return is 10% of the capital employed. Calculate the value of goodwill by capitalisation of super profit method if super profits of the firm are ₹ 50,000. Goodwill of the firm will be: **[5]**

a) 5,50,000

b) 4,50,000

c) 5,00,000

d) 6,00,000

43. Average profits of a firm during the last few years are ₹ 50,000 and the normal rate of return in a similar business is 5%. If the goodwill of the firm is ₹ 1,00,000 at 5 years' purchases of super profit, find the capital employed by the firm. **[5]**

a) ₹ 6,00,000 b) ₹ 3,00,000

c) ₹ 5,00,000 d) ₹ 2,50,000

44. Shahi Ltd. decided to redeem its 8,000,11 % debentures of ₹ 100 each at a premium of 10 %. The minimum amount transferred to debenture redemption reserve will be: **[5]**

a) ₹ 2,00,000 b) ₹ 8,00,000

c) ₹ 2,00,000 d) ₹ 4,00,000

45. H & S Ltd. has outstanding 10,000, 8% Debentures of ₹ 100 each that are redeemable at premium of ₹ 10 each. Out of these, 5,000 debentures are to be redeemed on 31st December, 2018. Debenture Redemption Reserve should be **[5]**

a) ₹ 1,37,500 b) ₹ 2,75,000

c) ₹ 1,25,000 d) ₹ 2,50,000

46. Revenue from operation 10,00,000; Gross profit 25% on cost; Operating expense 50,000. Operating profit ratio will be: **[5]**

a) 30% b) 15%

c) 20% d) 25%

47. Credit purchase during the year 10,00,000; Opening creditors 80,000; Closing creditors 1,20,000. Trade payable turnover ratio will be: **[5]**

a) 10 times b) 12.5 times

c) 8.33 times d) 15 times

48. A Company's Current Ratio is 2.8 : 1; Current Liabilities are ₹ 2,00,000; Inventory is ₹ 1,50,000 and Prepaid Expenses are ₹ 10,000. Its Liquid Ratio will be: **[5]**

a) 2 : 1 b) 2.05 : 1

c) 3.6 : 1 d) 2.1 : 1

49. X Ltd. has a Debt-Equity Ratio of 3 : 1. According to the management, it should be maintained at 1 : 1. What are the choices in front of management to do so. **[5]**

a) All of these b) Reduce debt

c) Increase equity

d) Both, i.e, increase equity and reduce debt

50. Interpretation of Financial Statements includes: **[5]**

a) All of these

b) Comparison and Trend Study

c) Drawing Conclusion

d) Criticisms and Analysis

Solutions

1.
   (c) ₹ 82,500
   Explanation: 90000-7500(15000/2)= ₹ 82,500
2.
   (b) 87,500
   Explanation: Share of profit of A, B and C
   A = 270000 x 4/9 = Rs. 120000
   B = 2,70,000 x 3/9 = Rs.90,000
   C = 2,70,000 x 2/9 = Rs. 60,000
   A is guaranteed Rs. 1,25,000
   There is a deficiency of Rs. 5000 which is to be born equally by B and C I.e Rs. 2,500 each.
   so B's share of profit after meeting the deficiency = 90,000 - 2500 = 87,500
3. **(a)** super profit
   Explanation: super profit
4.
   (b) ₹ 78,000
   Explanation:

	₹
Salary (4,000 $\times$ 12)	= 48,000
Commission (6,78,000 - 48,000) $\times \frac{5}{105}$	= 30,000
Total Remuneration	= 78,000

5. **(a)** ₹ 6,000
   Explanation: 15,000 x 2/5 = 6,000
6.
   (b) Both Change in existing profit sharing ratio and Retirement/death of a partner
   Explanation: Reconstitution of the firm can take place on the following occasions in case of partnership:
   i. Change in the profit sharing ratio of the existing partners (old partners)
   ii. Admission of a new partner
   iii. Retirement of an existing partner
   iv. Death of a partner
7. **(a)** (a) - (iv); (b) - (i); (c) - (iii); (d) - (ii)
   Explanation: goodwill (purchased) written off in old partners in old ratio. workmen compensation reserve will completely utilized for workers claim. hence partners will get 0 amount.
8.
   (d) Sacrifice A $\frac{2}{45}$; Gain B $\frac{3}{45}$; Sacrifice C $\frac{1}{45}$

Explanation: Sacrifice A $\frac{2}{45}$; Gain B $\frac{3}{45}$; Sacrifice C $\frac{1}{45}$

9.

(b) Cr. A by ₹ 4,000; Cr. B by ₹ 16,000; Dr. C by ₹ 20,000

Explanation: Cr. A by ₹ 4,000; Cr. B by ₹ 16,000; Dr. C by ₹ 20,000

A :- $\frac{3}{8}-\frac{1}{3}=\frac{9-8}{24}=\frac{1}{24}$

B :- $\frac{4}{8}-\frac{1}{3}=\frac{12-8}{24}=\frac{4}{24}$

C :- $\frac{1}{8}-\frac{1}{3}=\frac{3-8}{24}=\frac{(-5)}{24}$

A's share in profit = 96,000 $\times\frac{1}{24}$ = 4,000 (credit)

B's share in profit = 96,000 $\times\frac{4}{24}$ = 16,000 (credit)

C's share in profit = 96,000 $\times\frac{5}{24}$ = 20,000 (Debit)

10.

(c) From the old partners in their new profit sharing ratio

Explanation: A new partner can acquire his share of profits from the old partners in their old profit sharing ratio or from one partner or from the old partners equally. But he cannot acquire his share of profit from the old partners in the new profit sharing ratio because the new profit sharing ratio is fixed only after the admission of the new partner. New partner only can get his share from only old partner or partners.

11. **(a)** 5 : 4 : 1

Explanation: C brings 30,000 as goodwill so his share will be 1/10 which is given by A only as goodwill credited to A only.

A 's new share = 3/5 -1/10 = 5/10

B' share = 2/5 x 2/2 = 4/10 (Same as earlier)

12.

(c) 5 : 3 : 2

Explanation: total share = 1

Q's share = 20/100 = 1/5

remaining share for M and N = 1-1/5 = 4/5

M' new share = 4/5 x 5/8 = 20/40

N' s new share = 4/5 x 3/8 = 12/40

Q share = 1/5 x 8/8 = 8/40

ratio 20:12:8

5:3:2

13.

(c) ₹ 1,83,000

Explanation: Loss on revaluation = $\frac{30,000}{\frac{1}{2}}$ = ₹ 60,000

depreciation on furniture = ₹ 60,000 - ₹ 43,000* = ₹ 17,000

Value of furniture = ₹ 2,00,000 - ₹ 17,000 = ₹ 1,83,000

*Revalued value of asset and liability except furniture

₹ 40,000(stock) + ₹ 2,000(bad debt) + ₹ 16,000(provision for doubtful debt) - ₹ 15,000(creditor)

= ₹ 43,000

14. **(a)** 21 : 19

Explanation: Existing share of partners-

X:Y:Z = 8:7:5

Z's share will be divided between X and Y in the ratio of 1:1.

X will Gain = $\frac{5}{20} \times \frac{1}{2} = \frac{5}{40}$

Y will Gain = $\frac{5}{20} \times \frac{1}{2} = \frac{5}{40}$

Hence, New Ratio will be:

$X = \frac{8}{20} + \frac{5}{40} = \frac{21}{40}$

$Y = \frac{7}{20} + \frac{5}{40} = \frac{19}{40}$

New Ratio = X : Y = 21:19

15.

(c) ₹ 60,000

Explanation: ₹ 60,000

16.

(b) ₹ 70,820

Explanation: Amount transfer to B loan account

= 50000 (capital) + 6000 (reserve) + 12000 (Goodwill) + 2820 (profit on revaluation)

= 70820

17.

(b) After making the payment of loans given by third party

Explanation: After making the payment of loans given by third party

18.

(d) Full Amount ₹20,000

Explanation: All liabilities will be paid at the time of dissolution of a partnership firm. Whether some information is given or not about the payment of the same. In this case, nothing is mentioned about the payment of creditors but it is mandatory to pay the full amount ₹20,000 to the creditors.

Entry Will be:

Realisation A/c ... Dr

To Bank A/c

19.

(c) Credit ₹ 2,700

Explanation: Credit ₹ 2,700

20.

(b) Realisation Account

Explanation: When the firm is being dissolved, realisation account is prepared to know the profit made or loss incurred at the time of dissolution of a firm.

21.

(b) 1,00,000

Explanation: Total no of equity shares 2,000

application 25 and allotment 25 = 50

money received = 2,000 $\times$ 50 = 1,00,000

22.
(c) Unsubscribed Capital
Explanation: Unsubscribed Capital
23. **(a)** Equity Shares
Explanation: Equity Shares are not convertible. Preference shares can be converted into equity shares depend upon the terms and conditions but equity shares cannot be converted into any other shares.
24.
(c) 6%
Explanation: Amount of Premium payable at the time of Redemption @ 10% = ₹ 5,00,000 Out of this amount, ₹ 2,00,000 have been debited to Statement of Profit & Loss. It means ₹ 3,00,000 have been written off from Securities Premium.
Rate of Premium = $\frac{₹3,00,000}{₹50,00,000} \times 100 = 6\%$
25.
(c) 31/3/2016 - 20,000
31/3/2017 - 50,000
31/3/2018 - 30,000
Explanation: 31/3/2016 - $1,00,000 \times \frac{2000}{10,000} = 20,000$
31/3/2017 - $1,00,000 \times \frac{5000}{10,000} = 50,000$
31/3/2018 - $1,00,000 \times \frac{3000}{10,000} = 30,000$
26.
(c) Vendor A/c
Explanation: When a company purchased assets form an outsider i.e. vendor and payment is not made in cash and it is settled by issue of debentures in such a case Vendor’s Account is to be credited and the asset is debited.
27.
(c) Contingent Liabilities
Explanation: Contingent Liabilities
28.
(b) Contingent Liabilities
Explanation: Contingent Liabilities
29.
(c) Non-current Investments
Explanation: Non-current Investments
30. **(a)** Postulates
Explanation: Postulates
31.
(d) 25%
Explanation: The percentage change is = $\frac{2,00,000}{8,00,000} \times 100 = 25\%$
32.
(d) Vertical Analysis of financial statements
Explanation: Common Size financial statement is Vertical Analysis of financial statements

in which each account is expressed as a percentage of the value of sales. It enables easy analysis between companies or between time periods of a company.

33.

(d) Option (iv)

Explanation: Except common size balance sheet, all are part of comparative statement.

34. **(a)** Cash Used in Investing Activities ₹ 4,50,000.

Explanation: Cash Used in Investing Activities ₹ 4,50,000.
= 5,00,000 (paid for purchase of share) - 50,000 (amount of dividend received)
= 4,50,000

35.

(b) Operating Activities

Explanation: Operating Activities. As income tax levied on profits generated from sale of goods

36.

(d) Investments

Explanation: Investments

37.

(b) ₹ 3,75,000

Explanation: Purchses= (Closing stock + Sales) - (Opening stock + Profit). Purchase of investment during the year ₹ 3,75,000 i.e. (5,00,000 + 1,37,500) - (2,50,000 + 12,500) = 3,75,000

38. **(a)** Entrance fees

Explanation: Entrance fee is not a capital receipt.

39.

(b) Revenue

Explanation: A non-profit's statement of activities is issued instead of the income statement which is issued by a Not-for-profit Organisation (NPO) which shows revenue such as contributions, program fees, membership dues, grants, investment income, and amounts released from restrictions. All these contributions are shown under the head revenues in the statement of activity of NPO.

40.

(d) Income from non-operating business activities

Explanation: revenue receipts are those which do not affect the asset and liabilities. since income from non operating business activities do not affect asset and liabilities it is revenue receipt.

41.

(d) Income statement

Explanation: Non-Profit Organization (NPO) make only Receipt and Payment account, income and expenditure Account and Balance sheet but income statement is prepared by a profit-making entity, not by Non-Profit organizations.

42.

(c) 5,00,000

Explanation: capitalisation of super profit = super profit / normal rate of return

43. **(a)** ₹ 6,00,000

Explanation: Super Profit = $\frac{1,00,000}{5}$ = ₹ 20,000

Normal Profit = Average Profit - Super Profit

= ₹ 50,000 - ₹ 20,000 = ₹ 30,000

Capital Employed = $\frac{Normal\ Profit \times 100}{NRR}$

$= \frac{30,000 \times 100}{5}$

= ₹ 6,00,000

44.

(c) ₹ 2,00,000

Explanation: The minimum amount to be transferred to Debenture redemption reserve will be 25% of the nominal value of debentures as per the Rule 18(7)(c) of the Companies Act, 2013 i.e. ₹ 2,00,000.

Hence, the correct answer is ₹ 2,00,000 (8,00,000 $\times$ 25%).

45.

(d) ₹ 2,50,000

Explanation: ₹ 2,50,000

46.

(b) 15%

Explanation: Let Cost of revenue from operations = X

Gross profit = ¼ X

X + ¼ X = 10,00,000

5/4X = 10,00,000

X = 8,00,000

Gross profit = ¼ x 8,00,000 = 2,00,000

Revenue from operations = 8,00,000 + 2,00,000 = 10,00,000

Operating Profit = Gross profit – Operating expenses = 2,00,000 – 50,000 = 1,50,000

Operating profit Ratio = Operating profit / Revenue from operations x 100

= 1,50,000 /10,00,000 x 100

= 15 %

47. **(a)** 10 times

Explanation: Trade payable Turnover Ratio = Net Credit Purchases / Average Trade Payables

10,00,000 / (80,000+1,20,000)/2 = 10,00,000 / 1,00,000 = 10 Times

48. **(a)** 2 : 1

Explanation: C.R = $\frac{C.A}{C.L} = \frac{C.A}{2,00,000}$

Current asset = 2.8 $\times$2,00,000 = 5,60,000

Quick Asset = Current asset - stock - Prepaid expense

Quick Asset = 5,60,000 - 1,50,000 - 10,000 = 4,00,000

Quick ratio = $\frac{Q.A}{C.L} = \frac{4,00,000}{2,00,000}$ = 2 : 1

49. **(a)** All of these

Explanation: In order to equalize Debt-equity ratio, the company needs to either increase equity or reduce debt or do both.

50. **(a)** All of these
Explanation: All the options are correct.