

Disclaimer: Questions asked in the examination may have wrong/inadequate information and/or ambiguous language. In that case the answers provided by the institute may differ from these ideal answers. Every effort has been made taken to give best answers. Still if you find some errors please bring them to our notice through e-mail.

Mail id: gunturmasterminds@yahoo.com

VISIT WWW.GNTMASTERMINDS.COM FOR 75 PLUS FREE DOWNLOADS IN CPT AND IPCC/FINAL.

IPCC ADMISSIONS HELP LINE 09248733315

CPT – June 2010 Question Paper (Based on Memory)**1st session****Marks: 100 Marks****Time: 2 hrs.****Part A - Accountancy****Journal**

1. Discount allowed by Arun to Varun. Which is the Correct entry to be made by Arun?
- a) Credit Varun A/c & Debit Discount allowed A/c b) Debit Varun A/c & Credit Discount Received A/c
c) Credit Arun A/c & Debit Discount Allowed A/c d) Debit Arun A/c & Credit Discount Received A/c

Subsidiary Books

2. Rent due for the month of March is recorded _____ in cash book
- a) On receipts side b) On payments side c) As contra d) No where

Cash Book

3. When two aspects in one transaction are recorded in the cash book it self it is called _____
- a) Debit entry b) Double entry c) Single entry d) Contra entry

Final Accounts

4. Salaries paid Rs.2,00,000 includes Rs.10,000 for last year, Rs.20,000 for next year and current year's outstanding salaries Rs.15,000. Amount of salaries to be debited to P & L A/c of current is _____
- a) Rs.2,00,000 b) Rs.1,85,000 c) Rs.2,15,000 d) Rs.2,30,000
5. Total Debtors of a firm is Rs.48000 before deduction of bad debts and after allowing discount. Bad debts Rs.2000 and discount allowed Rs.100. PBD is to be created at 5%. The amount to be debited to P&L A/C for PBD is _____
- a) Rs.3000 b) Rs.2300 c) Rs.2305 d) None
6. Accounting treatment for "Accrued Income" _____
- a) It will be recorded on assets side as a current asset in the Balance Sheet
b) It will be recorded on the liabilities side as a current liability in the Balance Sheet
c) It will be recorded on debit side of the Trading Account as an expense
d) It will be recorded on credit side of Profit & Loss A/c as an income
7. The Gross Profit of a firm is Rs.1750, Carriage inward Rs.150, Bad debts Rs.120, Proprietor's personal expenses Rs.750. Carriage outwards Rs.175, net profits is _____
- a) 1455 b) 1305 c) 555 d) 705

Bills of Exchange

8. Kumar draws a bill on Rajat for Rs.50,000 and they agree to share the proceeds in the ratio of 3:2. Kumar got it discounted for Rs. 47,500. What will be the amount remitted to Rajat by Kumar
- a) 28,500 b) 19,000 c) 30,000 d) 20,000
9. Indian Currency is a _____
- a) Bill b) Promissory Note c) Cheque d) Draft
10. The Acceptor of a Bills of Exchange is the _____
- a) Debtor b) Creditor c) Seller d) None
11. Bills receivable discounted is entered in _____
- a) Journal b) Ledger c) Cash Book (Bank) d) No Where
12. A draws a bill on B on 12th May 2008 for Rs.20,000 for 3 months. What will be the due date?
- a) 13th Aug 2008 b) 14th Aug 2008 c) 12th Aug 2008 d) 15th Aug 2008

Depreciation

13. Depletion method of depreciation is applied in case of ____
 a) Intangible Assets b) Tangible Assets c) Wasting Assets d) Current Assets
14. Meaning for the entry given below
 Machinery A/c Dr 4000
 To Depreciation A/c 4000
 a) Depreciation Provided for Year ended Rs.4000 b) Depreciation is Reversed
 c) Machinery Appreciated d) None
15. ____ method of depreciation takes into account the element of interest on capital outlay and sees to write off the asset and the interest cost over the life of asset
 a) Annuity b) Sinking fund c) Straight line d) Written down value

Rectification of Errors

16. A Cloth merchant purchased furniture and recorded it in purchase day book. It is an error of ____
 a) Commission b) principle c) concept d) none

Consignment

17. X Consigned goods to Y Costing Rs.30000 at Cost plus 25%. These Goods are to be sold at Invoice Price Plus 10%. Y sold a part of goods for Rs.33000. What will be the Value of Stock lying with Y to be shown by X at the Closing of Accounts
 a) Rs.8250 b) Rs.6000 c) Rs.7500 d) Rs.8000
18. X sends 400 bags to Y costing Rs.200 each to be sold at cost + 45%. X draw a bill on Y equivalent to 60% on sale value. Then what will be the amount of bill?
 a) 69,600 b) 60,000 c) 61,250 d) 63,000

Partnership Accounts

19. A, B & C were partners in a firm. For financial year 2008-09 the profits were Rs.18,000. The partners shared the profits in the ratio of 2:2:1. There is no partnership deed of the firm in this regard. The adjustment entry will be ____
 a) P & L Adjustment A/c Dr. 18,000
 To A's Capital A/c 7,200
 To B's Capital A/c 7,200
 To C's Capital A/c 3,600
 b) P & L Adjustment A/c Dr. 18,000
 To A's Capital A/c 6,000
 To B's Capital A/c 6,000
 To C's Capital A/c 6,000
 c) A's Capital A/c Dr.1,200
 B's Capital A/c Dr.1,200
 To C Capital A/c 2,400
 d) None of these
20. P, Q, R are partners in a firm with capitals of Rs.50,000, Rs.30,000 and 25,000 respectively sharing profits & Losses in the ratio of 2:2:1. General reserve Rs.15,000, Good will Rs.30,000 revaluation profit Rs.7,050 Q is Retiring from the firm. Amount payable to Q is ____
 a) 70,820 b) 50,820 c) 25,820 d) 20,820
21. A, B, C are partners sharing profits in the ratio of 7:5:4. The profits of the firm for the year ended 31-3-2009 were estimated as Rs.2,40,000. C died on 30th June 2008. What is share of C in profits in financial year 2008-09?
 a) Rs.15,000 b) Rs.18,000 c) Rs.24,000 d) Rs.20,000
22. In the absence of Agreement, interest on Capitals of partners to be allowed is ____
 a) 6% b) 8% c) 9% d) None
23. Premium paid by the partnership firm on the joint life policy of partners is
 a) Debited to the Capital A/c of each partner b) Credited to the profit and loss A/c of firm
 c) Credited to the Capital A/c of Partners d) Debited to the Profit And Loss A/c of Firm

24. Partnership firm can raise capital
 a) By the issue of Equity Shares
 b) By the issue of Preference Shares
 c) By the Issue of Non- preference Shares
 d) None of the above
25. In Partnership if rate of interest on loan is not given, then _____ is to be taken
 a) 6%
 b) 5%
 c) 9%
 d) 16%
26. When any assets and liabilities are revalued?
 a) On admission of a partner
 b) On death of a partner
 c) On retirement of a partner
 d) All of the above

Company Accounts

27. Debenture holders are _____
 a) Creditors
 b) Debtors
 c) Both
 d) None
28. Reserve Capital mean _____
 a) Part of subscribed but uncalled capital
 b) Accumulated profits
 c) A part of capital reserve
 d) A part of capital redemption reserves
29. Z & Co forfeited 100 shares of Rs.10 each for non payment of final call of Rs.2 each. These shares were reissued at Rs.9 per share. What is the amount to be transferred to capital reserve A/c?
 a) Rs.700
 b) Rs.800
 c) Rs.900
 d) Rs.1000
30. Debentures are shown under _____
 a) Secured Loans
 b) Unsecured Loans
 c) Current Liabilities
 d) Current Assets
31. Premium on issue of shares is shown under the head _____
 a) Reserves and Surplus
 b) Current Liabilities and Provision
 c) Capital Reserve
 d) None of these
32. In order to arrive paid up capital, which one of the following is to be deducted?
 a) Calls in advance
 b) Calls in arrears
 c) Discount on issue of shares
 d) Subscribed capital
33. A Ltd. Company acquired assets worth Rs.11,25,000 from B Ltd. and issued shares of Rs.100 each towards consideration at a premium of 25%. How many shares shall be issued?
 a) 9,000 shares
 b) 7,500 shares
 c) 10,000 shares
 d) None
34. Redeemable preference shares must be redeemed with in _____ years
 a) 24
 b) 30
 c) 35
 d) 20
35. According to Companies Act 1956 Balance Sheet is prepared as per
 a) Part II schedule VI
 b) Part I schedule VI
 c) Part II schedule VII
 d) Part I schedule VII
36. Capital Reserve comes under
 a) Part of uncalled capital
 b) CRR
 c) Accumulated profits
 d) Reserve capital
37. A Company issues shares at Rs.10 per share and forfeited shares on which Rs.8 each had been paid up. Minimum price of re-issue is _____
 a) 10
 b) 8
 c) 5
 d) 2

Inventory Valuation

38. The cost of inventory on April 20th was computed as Rs.5,25,000. The purchase of goods from April 1st to 20th were 3,25,000 which include cash purchase of Rs.75,000 and goods costing Rs.50,000 not yet received. The value of closing stock for year ending 31st March would be _____
 a) 2,00,000
 b) 2,50,000
 c) 3,25,000
 d) 5,00,000
39. The revised AS -2 permits the use of which of the following methods for computation of cost of inventory?
 a) Lifo
 b) Standard cost method
 c) Fifo
 d) None

- ### Goods sent on Sale or Return Basis

- ## Accounting an Introduction

- ## Contingent Assets & Liabilities

- CPT_June_2010_Session 1**

Part B - M.Law**Meaning & Nature of Contract**

52. Drawing Amount from ATM is _____
 a) Tacit Contract b) Executed Contract c) Executory Contract d) Formal Contract
53. A Contract is _____
 a) An agreement between a Indian National & Alien enemy
 b) An agreement enforces by parties themselves
 c) An agreement enforceable by law d) Not an agreement by law
54. X says Y to repair his watch. Here arises _____
 a) Express Contract b) Implied Contract c) Tacit Contract d) Quasi Contract

Offer and Acceptance

55. A Price list belongs to the category of _____
 a) A offer b) Invitation to offer c) Answer to queries d) Acceptance to offer

Legal Object & Consideration

56. According to Contract Act, consideration must be _____
 a) real b) adequate c) illusory d) none of the above

Capacity to Contract

57. A minor enters into a contract for the purchase of certain necessities. In such a case:
 a) he is not personally liable to pay. b) he is liable to pay.
 c) his estate is liable to pay. d) his guardian is liable to pay.
58. X is a lunatic. He can enter into a contract when he is _____
 a) Under medical treatment b) Of sound mind
 c) Of unsound mind d) None of these
59. According to Indian Contract Act 1872, a person can enter into contract
 a) After attaining majority b) Of Sound Mind
 c) Not disqualified by law d) All of the above

Free Consent

60. A entered into a contract with B. B obtained A's consent by fraud here contract is _____
 a) Valid b) Void c) Voidable d) none of the above
61. Mistake of fact is _____
 a) Illegal b) Valid c) Void d) Void abinitio
62. Mistake of Indian Law _____
 a) Valid b) Void c) Voidable d) None of the above

Void Agreements & Quasi Contracts

63. A says to B that he will give Rs.500 to him if it rains and if does not rain B will give him Rs.500. Which type of contract is this _____
 a) Wagering Contract b) Contingent Contract c) Valid Contract d) Quasi Contract
64. A Contingent contract is a / an _____
 a) Conditional Contract b) Uncertain Contract c) unenforce by law d) Absolute Contract

Discharge of Contract

65. The original contract comes do an end when _____
 a) Novation of Contract b) Alteration of Contract c) Rescission of Contract d) All of the above

Indian Partnership Act, 1932

66. A Partnership is formed for a specific purpose but also even continue after that purpose. This is called as _
 a) Particular Partnership b) Specific Partnership c) Partnership at will d) None of the above
67. In absence of an agreement, the interest allowed on capital of the partners is ____
 a) 8% b) 6% c) 5% d) None of these
68. If a partnership exceeds the minimum number of persons then that associate becomes ____
 a) Illegal b) legal c) unlawful d) company
69. Johnson is employed as a Finance controller in a Partnership Firm "ABC brothers". Johnson is entitled to a monthly salary of Rs.2,00,000 & 20% of the profits of the firm only if profits of the firm exceeds Rs.1 crore in that year. Johnson shall be called ____
 a) Only a partner in a firm b) Only an employee of a firm
 c) An employee and partner of a firm d) None of the above
70. To open Joint Bank A/c by a partner on his own name on behalf of firm is not a /an ____
 a) Implied Authority b) Partnership deed
 c) Indian Contract Act, 1872 d) None of these
71. A introduced B to C as a partner. A incurs some liability. B remains silent, he is ____
 a) Dormant partners b) Partner by Holding out/ Estoppel
 c) Sleeping Partner d) Sub partner
72. Mutual agency under the Indian partnership act 1932 means
 a) Sharing profits of firm among the partners
 b) Right of partner to act as an agent & principle of other partners
 c) Mutual co – operation among partners d) Joint liability of all partners
73. Under partnership act, In the absence of agreement, the profits should be shared in the ratio
 a) Capital contributed by partners b) Equally
 c) Any ratio which they like d) None of these
74. A partnership of banking business is valid, when the number of partners exceeds
 a) 5, but does not exceed 10 b) 10, but does not exceed 20
 c) 20, but does not exceed 40 d) 20, but does not exceed 50
75. Partnership starts with ____
 a) A major & 2 minors b) two minors c) A major & minor d) two majors
76. When assets and liability are revalued?
 a) on admission of a partner b) on death of a partner
 c) on retirement of a partner d) all of the above
77. When reconstitution of firm happens ____
 a) Partner retires b) Partner admits c) Partner dies d) All of the above

The Sale of Goods Act, 1930

78. A Sale is a 'Right in Rem'
 a) Yes b) No c) Discretion of court d) None of these
79. Right of seller against buyer is called
 a) Right in personam b) Right in Rem c) Both d) None of these
80. Unpaid seller has a right of ____
 a) Right of lien b) Right of stoppage of goods c) to resell the goods d) All of the above
81. Risk in sale of goods follows
 a) Only when delivery of goods to agent of buyer takes place
 b) Only when property of goods passes to the buyer
 c) Only when price is paid d) All of these

82. Goods under sale of goods act include ____
 a) Equity shares b) Trees c) Gross d) All of the above
83. A warranty is a stipulation which is ____ to the main purpose of a contract
 a) Collateral b) optional c) contingent d) Essential
84. Under sale of goods act 1930, the essential element of sale is
 a) Price b) Exchange of goods c) possession d) None of the above

THE END**Key - Part - A - ACCOUNTS**

1.	A	2.	D	3.	D	4.	B	5.	B
6.	A	7.	A	8.	B	9.	B	10.	A
11.	C	12.	B	13.	C	14.	B	15.	A
16.	B	17.	B	18.	A	19.	C	20.	B
21.	A	22.	D	23.	D	24.	D	25.	A
26.	D	27.	A	28.	A	29.	A	30.	A
31.	A	32.	B	33.	A	34.	D	35.	B
36.	C	37.	D	38.	B	39.	C	40.	B
41.	B	42.	B	43.	A	44.	C	45.	D
46.	C	47.	B	48.	A	49.	C	50.	B
51.	C								

Part - B - M.LAW

52.	A	53.	C	54.	A	55.	B	56.	A
57.	C	58.	B	59.	D	60.	C	61.	C
62.	A	63.	A	64.	B	65.	D	66.	C
67.	D	68.	A	69.	B	70.	A	71.	B
72.	B	73.	B	74.	A	75.	D	76.	D
77.	D	78.	A	79.	A	80.	D	81.	B
82.	D	83.	A	84.	A	85.		86.	